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MILITARY AFFAIRS AND PUBLIC SECURITY

PREPARATION OF COUNTRY TO COUNTER AGGRESSION DISCUSSED

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese No 6, Jun 79 pp 19-48

[Article by Colonel General Hoang Van Thai: "Preparing the Nation To Counter Aggression"]

[Text] Editorial Note: In January 1979, Colonel General Hoang Van Thai spoke at the Military Academy on the subject "preparing the nation to counter aggression." This, a theoretical document based on the realities of our people, is designed to guide the actions of our army and people in preparing the country for combat and winning victory over every enemy that recklessly unleashes a war of aggression against our country. The victory of the recent people's war to protect the fatherland against the war of aggression of the Chinese expansionists provided us with new experiences in this area. The reactionary authorities in Peking, although heavily defeated, have not abandoned their savage ambition to weaken and annex our country. Insuring that the country is truly and routinely in a state of combat readiness and able to win victory in other wars of aggression that they might unleash is of even greater importance and urgency. We respectfully present to our readers the abridged version of this speech.

I.

The nation of Vietnam has a glorious history of more than 4,000 years. It is the history of a heroic people, whose survival and development have always been closely linked to the history of wars against enemy aggressors to protect the country and struggles to conquer the harsh conditions of nature in order to build the country.

In the dozens of nationwide wars against aggression, there were a number of times when we suffered temporary defeats and had to wage a war of liberation; however, in most of these wars our people won victory and defeated numerous invasions by the aggressor armies of the Tan, Han, Tong, Nguyen, Minh and Thanh, recording imposing feats of arms and protecting the fatherland.

These victories were recorded because our forefathers, from the realities of their struggle, clearly saw that building the country must go hand in hand with defending the country, that they must prepare themselves to counter aggression while building the country. During the reign of Ly, once they learned about the scheme of aggression of the Tong, the House of Ly made every effort to prepare for this aggression. In conjunction with taking economic steps to develop agricultural production, the House of Ly relaxed its laws and reduced taxes, thereby winning over the mountain people. Militarily, maneuvers were held, border forces were strengthened in both the North and the South, the unity within the imperial court was strengthened, old officials in the court were treated generously, tests were held to discover talents and so forth. During the Tran period, immediately after winning the first great victory over the Nguyen army, the House of Tran, displaying both resolve and flexibility, maintained normal foreign relations with the House of Nguyen while making positive preparations to deal with a war of aggression. On the basis of relying upon the people and acting under the viewpoint of making the people prosperous and the country strong, the House of Tran concerned itself with expanding agriculture, repaired dikes and used the countryside to improve the standard of living of the people and provide rear services for the army. Militarily, it held the Binh Than Conference to discuss plans for resisting the enemy, assembled some 200,000 main force and local troops at Dong Bo Dau for a military parade, mobilized its high ranking officers, deployed forces to vital positions and then summoned the elders of the entire nation to the Dien Hong Conference. Tran Quoc Tuan drafted the first two Vietnamese infantry manuals for the training of high ranking officers, etc.

Generally speaking, to counter a war of aggression, our forefathers concerned themselves with making military, political, economic, cultural, diplomatic and other preparations. As a result, they defeated aggressor armies and protected the fatherland many times.

Since our party was born, our army and people, under the leadership of the party, have defeated the Japanese fascists, the French colonialists and the U.S. imperialists, recording imposing feats of arms.

In 1954, with the North totally liberated and the South still under the rule of the U.S. imperialists and their lackeys, our entire country simultaneously carried out two strategic revolutionary tasks. The North became the revolutionary base of the entire country. Our party and state constantly concerned themselves with building the socialist North politically, economically, militarily, culturally, socially and so forth. The resolution of the 3rd Congress of the Party stated: "We must make the socialist North the solid base of the revolution throughout the country, a base with strong economic and national defense forces."

Militarily, in March 1957, the resolution of the 12th Plenum of the Party Central Committee set forth the guidelines and task for strengthening the

national defense forces of the North, building a powerful people's army and gradually building a regular force, modern army. In keeping with this task, the people of the North, while working hard to build socialism, constantly heightened their revolutionary vigilance and actively participated in the movements to maintain order and security, combat spies and annihilate commandoes and bandits. As a result, the political situation along the border and in the hinterland was stable and order and security were maintained well. We built a regular force, modern people's army of suitable size and high combat quality while attaching importance to building widespread mass armed forces. We organized new branches and services, such as the air force, the navy and the armored troops, formulated strategic warfare plans for defending the North and countering a war of aggression and held maneuvers under these plans in the various military regions and within the various branches and services in order to conduct research and gain experience. The Central Military Party Committee and the Ministry of National Defense guided the construction of strategic rear base areas for time of war; an important percentage of the funds and materials within the national defense budget were allocated for the construction of a system of defense projects, the construction of several warehouses for strategic reserves, the repair and widening of a number of roads, the repair and expansion of air fields and sea ports, the construction and equipping of national defense enterprises and the establishment of grain and supply reserves of the state and the army; in particular, we opened the strategic road along the Truong Son Mountain Range and the ocean transport route in order to reinforce the South in every way possible.

In 1958, our country's National Assembly ratified and put into effect the Military Draft Law, thereby creating the conditions for building an increasingly large reserve force. The Central Military Party Committee also gave full attention to training the corps of commanders and the corps of specialists and technicians. As a result, we accelerated the buildup of our forces, thereby maintaining combat readiness in the North and reinforcing the South. In the North, during the people's war against the war of destruction, we constructed an air defense system consisting of all three military elements, thereby providing us with the capability of countering enemy aircraft everywhere and assembling forces to protect vital areas. The North not only reinforced the South until total victory was won, but also defeated the wars of aggression waged by the United States against the North while keeping forces ready to defeat attacks by enemy ground forces against the North.

Since the country became totally independent and reunified, our party has made every effort to build the country while concerning itself with protecting the country. The resolution of the 4th Party Congress set forth the line of building and protecting the socialist fatherland. In the face of the schemes and acts of the reactionary gang within Peking ruling circles to weaken and annex our country, our party and state have acted with even greater urgency to put the country into a state of combat readiness and

mobilize all the people for a war of resistance against foreign aggression once war breaks out.

All of the jobs mentioned above are closely related to the national economy, to each activity of the people and the various sectors of the state; the Central Military Party Committee and the Ministry of National Defense must research these jobs and make proposals to the Political Bureau so that it can make the necessary decisions and utilize the authorized agencies of the state to mobilize the entire country to comply with these decisions by means of clearly defined laws to insure that the country is fully, thoroughly prepared in peace time and is rapidly put on a war time footing when a special situation develops. Only in this way can we take the initiative at the very start of the war and create the conditions needed to win victory in the course of the war.

Preparing the country for combat and mobilizing all the people to wage a war of resistance against foreign aggression are an extremely important, pressing and constant strategic task, one which encompasses every area of activity of the country, is nationwide in scale and is carried out by the entire party, all the people and the entire army in order to constantly and rapidly strengthen our military, political, economic, scientific-technical and other potentials, put the potentials of the country, especially its military potentials, into a state of combat readiness and insure that the country is, under all conditions, ready to be put on a war time footing, ready to defeat aggressor armies regardless of from where they come, the scale of their attack, the form of their attack and the types of weapons with which they are equipped, and able to maintain the comprehensive strength of the country in the face of the attack by the opposition while suffering the fewest possible losses. As a result, the preparing of the country in peace time to counter aggression must be part of the plan for building the national defense system and the plan of the national economy.

Preparing the country to counter aggression is controlled by the law of building the country in conjunction with defending it, of building socialism in conjunction with protecting the socialist fatherland. This is a vital, routine and long-range strategic military task. In the face of the malicious schemes and actions of the reactionary gang within Peking ruling circles, our army and people must have an even deeper understanding of the line of building and protecting the fatherland set forth by our party at its 4th Congress, have an even deeper understanding of the extremely important, urgent and pressing strategic nature of preparing the country to counter aggression.

The immediate objective of preparing the country to counter aggression is to constantly and rapidly strengthen our military and economic potentials, put them into a high state of combat readiness and maintain the capability to develop them so that when a war occurs we can win the largest possible

victory with the lowest possible losses and insure the successful implementation of our strategy during the initial period of the war and throughout the war.

Preparing the country to counter aggression includes preparing the people, preparing the economy, building our strategic battle position and strategic rear area, preparing the armed forces, organizing a partial or general mobilization and putting the country on a war time footing.

Preparing the country to counter aggression is the common task of the entire country, a task carried out under the leadership of the Party Central Committee and government. It is an integrated activity encompassing all political, military, economic, cultural, scientific-technical, diplomatic and other activities. It must be the task of the entire party, all the people, the entire army, all ministries, all sectors and all levels of the state government and must be carried out under a common plan with a tight, strict division of labor and cooperation, with a very full sense of discipline and responsibility to the survival of the country. It is not the work only of the military; however, the agency that guides military strategy must serve as the staff of the Party Central Committee and government in the work of establishing the guidelines, requirements and measures for preparing the country to counter aggression.

We must firmly adhere to the fundamentals underlying the effort to prepare the country to counter aggression: the revolutionary line of the party set forth at the 4th Party Congress and in the resolution of the 4th Party Plenum and the other resolutions of the Central Committee, which includes the political line, the military line, the economic line and the foreign and domestic affairs line; the strategic objective of our country's revolution, the warfare objective of our army and people and the special characteristics of the war of aggression waged by the enemy; the nature, characteristics, strategic determination, guidelines and mode of strategic warfare of the people's war to protect the Vietnamese socialist fatherland; the characteristics of our country's terrain, history and the people of Vietnam; each potential of our country, international support and assistance, etc.

The effort to prepare the country to counter aggression must meet the following requirements: thoroughly implementing the thinking of an offensive strategy and insuring that the country is always ready to take the initiative and fight the enemy at all times and places, regardless of from which direction they attack, fight them even on the frontlines and during the initial period of the war, thereby firmly protecting the hinterland, offshore waters and air space of the fatherland. It is necessary to highly develop the combined strength of the people's war to protect the fatherland, which includes the strength of the local people's war and the war waged by the strategic mobile corps, in order to rapidly defeat the enemy army on the very frontline of combat and be ready to fight the enemy when they prolong and expand the war into the hinterland of our country.

We must closely coordinate urgent, immediate preparations with the making of routine, long-range preparations, closely coordinate preparations to defeat the scheme of the enemy to weaken our country with preparations to defeat large-scale aggression by the enemy to annex our country.

On the basis of the law of building the country in conjunction with defending it, preparing the country to counter aggression is a routine task that must be performed in an urgent manner. Today, due to the scheme of aggression of the reactionary gang within Peking ruling circles toward our country, preparing the country to counter aggression has become a matter of extremely pressing importance. We must make full use of our time and make urgent preparations so that we are ready to defeat the aggressor army at any time and regardless of the scale of their aggression.

We must also give attention to closely coordinating comprehensive preparations with selected preparations.

Preparing the country to counter aggression encompasses every activity of the country and is nationwide in scale. In view of the fact that our country is still poor and still being built, our manpower and materiel are limited; in view of the urgent, pressing situation that exists and the limited time we have, we cannot simultaneously prepare the country well in every respect. The country must be prepared in every respect; however, preparing the armed forces and deploying our strategic battle position must be the center of our preparations. The entire country must begin making preparations; however, emphasis must be placed on the directions and strategic areas of primary importance, the border frontline, the seacoast and the islands.

When war breaks out, we must carry out a partial or general mobilization throughout the country. This is an extremely important strategic measure, one that determines success or failure in war, determines the survival of the country. Therefore, we must make comprehensive, urgent preparations under a specific, detailed plan when war does not exist so that we can, once the threat of war looms, be ready to put the country on a war time footing, be ready to defeat the aggressor army and protect every potential of our country as best possible throughout the entire course of the war. The decision to put the country on a war time footing must be made at the proper time.

II.

Preparing the country to counter aggression, which is work performed by the entire party, all our people and the entire army and encompasses every activity of the country, consists primarily of the followings:

1. Preparing the people.

Under the leadership of our party, the people are both the primary production force of society and the force that engages in combat and supports combat, are the abundant source of manpower of the three elements of the armed forces.

To tap the strength of the masses in war, it is extremely important to prepare the people during peace time. These preparations can be carried out in the following three principal areas:

First, ideological-psychological preparations.

Our people have a tradition of building and defending the country, possess ardent patriotism, profoundly love the socialist fatherland and have absolute confidence in the leadership of the party. It is necessary to teach the people about the insidious scheme of the reactionary gang within Peking ruling circles to weaken and annex our country; cadres and the people must be given a clear understanding of the objective and just nature of the war to protect the fatherland, must be deeply imbued with the teaching of President Ho that "there is nothing more precious than independence and freedom"; within cadres and the people, it is necessary to develop a deep hatred of the aggressor and unshakeable confidence and determination to be ready to join the armed forces in resolutely fighting to defeat the aggressor army. On this basis, we must mobilize all the people to fight the enemy to protect the country, their villages and their streets and actively participate in each job involved in preparing the country to counter aggression.

The educating of cadres and the people is carried out by the organizations of the party, the organizations of the government and the mass organizations in a widespread, intense and continuous manner employing every available form and means. In particular, importance must be attached to ideologically and psychologically preparing the cadres and people who live in strategically important areas in which fighting might occur first and which we must protect as firmly as possible.

As regards the cadres and people in these areas, in addition to teaching them what the rest of the people are being taught, particular importance must be given to using education to heighten their spirit of vigilance, heightening their state of combat readiness and preparing them to fight the enemy when they violate our borders, seacoast or islands to sabotage or commit aggression against our country.

In conjunction with education, it is necessary to take certain organizational steps to insure political purity and tight leadership. Attention must be given to teaching unity in the face of psychological warfare maneuvers designed to divide the people and in the face of the schemes of the enemy to provoke and foment rebellion.

Thus, beginning in peace time, we must prepare cadres and the people ideologically and psychologically through education, must teach them the attitude that they must have during the initial period of the war and, in particular, must develop on the part of the people a calm, disciplined attitude so that they act in accordance with the guidance of the governmental agencies on the various levels and within the various sectors.

Secondly, it is necessary to prepare for combat.

All the people fighting the enemy is our nation's heroic, unyielding tradition in the face of foreign aggression. "All the people are soldiers," "when the enemy arrives, even the women fight" and so forth; these sayings reflect this valuable combat tradition of our people. Preparing the people for combat encompasses preparing the militia and self-defense forces for combat so that they can serve as the nucleus of the fight of all the people against the enemy on the basic level. In addition to preparing the militia and self-defense forces for combat, we must make certain preparations for combat that are of a mass nature, such as providing the people with universal military training in how to serve as observers, how to report information, how to fight the enemy using rudimentary weapons, how to enclose their villages with fences, how to build fortifications, how to make secret tunnels, how to build underground passageways, how to quickly repair roads, how to repair communications lines, how to rescue and transport the wounded and how to deal with such situations as putting down rebellions, pursuing espionage agents, spies and commandoes, fighting enemy troops landing from the air, capturing enemy pilots, etc.

Training must be provided to give the people an elementary understanding of the properties and effects of the various anti-personnel weapons and means of war of the enemy as well as the warfare schemes and tricks of the enemy as they relate to the way we fight the enemy and defend villages. The people must be instructed in how to make the various types of rudimentary, manmade weapons, how to make stakes, mines, booby-traps and bamboo enclosures around their villages and how to perform other jobs in order to build combat villages, which are the basis of combat readiness, especially in areas bordering enemy territory, and in order to protect the life and property of the people against enemy raids and massacres.

Thirdly, preparations must be made to continue production under war time circumstances.

Preparations must be made for mobilizing and organizing the people to display heroism in combat and resolutely remain in their villages to engage in both combat and production, to protect production and maintain everyday life once a war breaks out. Each locality must display a high spirit of self-reliance and must resolve its difficulties by itself in order to reduce the amount of

assistance needed from the central level. The rear area must accelerate production and raise its labor productivity many times in order to compensate for the frontlines and support the frontlines.

Fourthly, it is necessary to prepare for relocation and evacuation.

The most important factor of economic and military potentials is the manpower sources of the country, that is, the capabilities for providing the labor force needed for the national economy and the forces needed for combat to defend the fatherland. The people are the principal force determining victory in war; at the same time, they are a strategic target of the enemy and the enemy will try to kill or wound very many people in order to sabotage our sources of manpower and carry out psychological warfare. Attacking the rear area and attacking the people are strategic objectives in a war of aggression.

We must prepare the people in every way for countering aggression, must organize the people for combat and production during the war and must, at the same time, adopt a plan for protecting the life and property of the people.

Attention must be given to countering enemy strategic air attacks and countering commando activities and the various types of sabotage and rebellion by domestic reactionaries. Bunkers must be constructed, considering this an important measure in protecting the people; in the future, it is necessary to construct underground civilian projects that conveniently serve the people in both peace time and time of war. In key areas that must be held so that we can fight the enemy and engage in production, we must build complete evacuation projects and local combat fortifications for the people; importance must be attached to vital areas that lie within the range of enemy firepower (we have the experience of building "underground combat villages" during the wars of resistance against the French and the United States).

Generally speaking, in a war to protect the fatherland the question of evacuating the entire population of an area does not arise, rather, the principal requirement is for the population to remain in this area to fight and support local combat and production. Once fighting spreads to a locality, it is necessary to organize the evacuation of the elderly, children, and persons who do not have a combat or combat support task to relatively safe locations within the stipulated area. It is necessary to prepare an evacuation plan, prepare means of communications and transportation and prepare the mode of transportation to be used in the evacuation. This plan must be rehearsed during peace time. It is often necessary to prepare an alert system, a command system in charge of resolving the aftereffects of warfare and a system to rescue and transport wounded civilians; a plan must be adopted for stockpiling grain, food products and drinking water. The people must be trained in protecting against enemy attacks and in civilian rescue operations; exercises must be held in protecting against and fighting the enemy in order to insure the safety of forces.

2. Preparing the economy.

The economy is one of the determining factors creating the strength of the country, the strength of the national defense system. Therefore, making economic preparations is one of the most important tasks of preparing the country to counter aggression. We must thoroughly implement the resolution of the 4th Party Congress and the resolutions of the 4th and 5th Party Plenums and rapidly increase our economic and national defense potentials.

Economic preparations are designed to insure that our country's economy develops its production in order to meet the needs of the national defense system and war and is able to remain stable and continue to develop production once a war breaks out.

Preparing the country economically to counter aggression is a very broad and involved field of activities of the state, the most basic and central one being making every effort to develop the economy and establishing good coordination between the economy and the defense of the nation throughout the country and within each locality. Coordinating the economy with the defense of the nation is the most effective and economical way to accelerate socialist construction while effectively protecting the socialist fatherland.

Preparing the country economically to counter aggression primarily consists of the following:

First, establishing the strategic deployment of the economy:

On the basis of the geography and natural resources of the country and on the basis of the guidelines of strategic warfare, we must arrange and guide the development of the economy in an efficient and balanced manner among the various sectors within the economy, balanced between the economy and cultural activities, between production and everyday life and so forth, even at installations; while building strategic economic and national defense zones to make full use of labor and develop our natural resources in order to bring prosperity to the country, we must establish the effective strategic deployment of the people's war throughout the country and within each locality and decentralize the economy of the country to prevent heavy losses in war.

Coordinating central economic construction with local economic development is an important strategic measure for both the economy and the national defense system, one that insures the vitality of the economy, creates the capability of the local people's war for independent combat operations and enables centralization when necessary to support principal strategic warfare guidelines.

In the present situation, we must urgently rearrange the strategic deployment of the economy and the national defense system to be consistent with our new warfare objective in order to insure the stability of our economy and be

able to centralize our strength and be ready to defeat the aggressor army on the main front.

Secondly, preparing manpower for the economy:

Both the economy and the national defense system require much manpower. Therefore, we must meet this requirement in a way that benefits both the economy and the national defense system.

When war occurs, the mobilization of millions of reserve forces has a major effect upon the economy. For this reason, we must prepare enough manpower to develop the economy in peace time and enough to maintain and develop the economy in time of war when a large-scale mobilization is required.

In the present situation, every youth of draft age will fulfill his military obligation, be trained within the standing army and can be sent into combat after which he will be sent back to his factory, worksite, state farm and so forth to fulfill his labor obligation and increase the strength of the reserve forces of the people's army. The forces of the people's army must engage in combat, maintain combat readiness and participate in economic construction. Depending upon its area of operation and the task assigned to it, each unit has combat, the maintenance of combat readiness or economic construction as its principal function. When a large-scale war occurs, the maintenance of an armed force that is too large has a major effect upon the rate of economic construction. Therefore, the armed forces must have a component that participates in economic construction in order to benefit the economy and maintain combat readiness. Depending upon the degree of urgency of the situation, the combat readiness forces on the rear lines must participate in economic construction immediately within their area of operation.

Thirdly, preparing agriculture, forestry and the fishing industry:

Agriculture is the source of grain, food products and raw materials for the economy and the national defense system. In addition to producing what is required to meet the routine needs of the country, it is necessary to stockpile grain, food products and raw materials for time of war.

At the very minimum, the stockpiles must meet the needs of the armed forces and the daily lives of the people during the initial period of the war and must be fully supplemented to meet needs throughout the war.

The structure of agriculture must be consistent with the requirements of economic planning and zoning, consistent with large-scale socialist production; at the same time, it must facilitate the buildup of the forces of the three military elements during peace time, facilitate the mobilization of the people's war and local rear service support, facilitate the mobilization of the armed forces in time of war.

An effort must be made to produce much more grain and food so that when war breaks out we can meet our grain needs by ourselves. The army must undertake the opening of new economic zones at strategically important places and participate in the construction of large-scale, socialist, state-operated economic installations.

Preparations must be made so that when war does occur we can make the necessary changes within the structure of production and maintain production on a suitable scale in order to provide the people and the armed forces with a constant supply of grain, food products and raw materials.

The planning of the construction of the countryside and the development of water conservancy networks must be closely coordinated with the improvement of the terrain and the construction of combat villages in order to facilitate the development of production and the local people's war, facilitate the relocation of the people and the combat operations of mobile forces. Attention must be given to building combat villages in border areas and on important strategic fronts.

In the planting of trees, afforestation and the harvesting of forests, attention must also be given to economic and national defense interests to insure that the armed forces can achieve mobility and deploy themselves in secrecy, especially in border areas and along the seacoast. At the same time, a certain quantity of lumber must be provided to construct combat fortifications of the armed forces. Regulations must be adopted in advance concerning the armed forces' use of bamboo and lumber to make sheds and bunkers both before and when a war breaks out. The army must participate in the development of forestry in accordance with the requirement of coordinating the economy with the defense of the nation within border areas, within remote, wilderness areas of the fatherland and within areas in which leadership agencies of the party and state and command agencies on the various strategic levels are located.

In organizing the fishing industry, attention must also be given to economic and national defense interests. The self-defense forces at sea are the forces that coordinate with and competently help our navy assess the situation and protect the offshore waters in peace time, are the forces of the people's war at sea and along the seacoast, are the reserve forces of the navy. While deploying this force for economic work, attention must be given to national defense interests. At the same time, when making preparations for the outbreak of a war, fishing at sea must be maintained in a suitable manner.

Fourthly, preparing industry:

Industry, which plays the dominant role within the national economy, must make a positive contribution to gradually developing a large and strong national defense industry so that this national defense industry possesses repair, retooling and production capabilities and can gradually manufacture the various

types of modern weapons we need while eventually achieving self-sufficiency in modern weapons and equipment for the armed forces. It is necessary to create the conditions for a number of technical sectors within the national defense industry to develop first, such as the national defense mechanical engineering sector, the electronics sector, the chemical sector, etc.

There must be a close division of labor and cooperation between civilian industry and the national defense industry in order to meet the needs of the everyday lives of the people and meet the needs of national defense; in particular, there must be a close division of labor and cooperation in the creation of sources of strategic reserves of raw materials, fuels, finished materials and technical equipment to meet war time needs and for the mobilization of industry once war breaks out.

At present, our country is threatened and preparing industry to produce under war time conditions is a very important job. Preparations must be made in order to reduce the amount of time needed to mobilize industry once a war breaks out, preparations such as drawing a number of designs that are nearly similar, merging a number of military technologies with civilian technologies, standardizing some of the materials supplied to the armed forces, etc. Of utmost importance are the needs to insure that civilian enterprises have a peace time corps of technical cadres and workers who know the technical procedures of production under a war time program and to fully stockpile the raw materials and finished materials needed for production. A number of key enterprises can test manufacture products using blueprints of the national defense industry.

In our country's present situation, industry still faces many difficulties in meeting the needs of the national defense system. Therefore, we must, on the one hand, properly maintain and frugally utilize the weapons and technology we now have; on the other hand, every effort must be made to produce those products that national industry and the national defense industry can produce to meet war time needs. We must seek the assistance of the fraternal countries so that our country's industry gradually becomes able to meet the needs of the national defense system and the needs of war better with each passing day. The Ministry of National Defense must establish specific requirements of the other sectors of the state as regards producing products for the national defense system.

Industry is of very important significance in the defense of the nation and in modern warfare. Therefore, industry will be a target of heavy attacks by the opposition. In addition to deploying industry in accordance with the economic-national defense strategic deployment, a plan must be adopted for protecting each industrial zone and each enterprise, especially important industrial zones and enterprises. The protection of these zones and enterprises must reflect coordination between protecting against enemy attacks and actively attacking the enemy, with primary emphasis upon protecting against

enemy attacks. This must be done by constructing bunkers and trenches for personnel, machinery and raw materials. Important enterprises must create the conditions for putting their personnel, machinery and raw materials in caves or tunnels. Actively attacking the enemy involves utilizing self-defense forces and coordinating them with local or main force forces within large or important industrial zones.

Those enterprises that were constructed without taking our present warfare objective into consideration must adopt a plan for relocating themselves, take special protective measures or build other enterprises that can be used when war breaks out without having a major effect upon the economy and the defense of the nation. The army must participate in capital construction for the development of heavy industry and will gradually assume the responsibility for a number of key sectors closely related to national defense needs.

Fifthly, preparing the communications-transportation sector and the signal-posts and telegraph sector:

The communications-transportation sector and the posts-telegraph sector support many activities of society and play an extremely important role in developing the economy as well as strengthening the national defense system. These sectors are also decisive fronts of struggle between the two sides, a struggle to block mobile forces, block resupply and transport operations, interrupt command communications and so forth in order to paralyze the military activities and economic activities of the opposition.

The development of communications and the posts-telegraph sector is in the interest of both the economy and the national defense system; however, at certain times and places, these interests are in conflict with each other and this conflict must be reasonably resolved.

As regards the communications-transportation sector, it is necessary to establish the position and role of the railroad, highway, pipeline, river way, ocean route and air route systems within the structure of our communications and transportation in order to adopt a suitable program for improving old lines, building new ones and utilizing the strength of the various types of communications and transportation to serve both the economy and the defense of the nation. In our present communications-transportation situation, we must rely primarily upon highways, with importance attached to developing the river way and ocean route network and improving the quality of and gradually expanding our railroad lines in order to meet the requirements of the economy and fully utilize these lines in time of war.

The construction of roads, air fields, seaports and warehouses must be balanced with the availability of cargo handling equipment and means of transportation. In particular, immediate attention must be given to enlarging and constructing a number of additional ports, modernizing cargo handling equipment and closely

supervising the handling of cargo in order to rapidly receive large quantities of cargo. Appropriate attention must also be given to the construction of warehouses that provide for good, long-range storage.

Efforts must be concentrated on developing communications and transportation in a manner that supports the important strategic fronts in order to insure the resupply and transportation of the armed forces in local combat, provide a sturdy, tenacious defense and insure that our mobile forces can move rapidly, are fully resupplied in a timely fashion, can achieve a division of labor and launch victorious attacks.

The army must participate in the construction of strategic roads and the development of the campaign road system.

In war, the enemy will launch heavy attacks against communications centers, bridges, seaports, air fields, warehouses and the various types of means of transportation. Therefore, plans must be adopted and forces must be established to actively protect these facilities. Detour routes, alternate routes and reserve, secret train depots and port piers must be established. At the same time, we must prepare the forces needed to repair means of transportation to insure timely and uninterrupted transport operations for combat. A plan must be prepared for maintaining communications in time of war, a plan that consists of mobilizing communications-transport facilities in support of the army and in support of the evacuation of the people, preparing air defense forces to protect transport operations and organizing transportation corps on the important battlefields.

As regards the signal-posts and telegraph sector, in the process of gradually modernizing the signal-posts and telegraph systems and in order to insure uninterrupted, rapid, secret and secure liaison and communications operations, there must be close coordination between the civilian posts-telegraph sector and the military signal sector for the purpose of supporting the economy and the defense of the nation. We must do a good job of preparing the war time signal-liaison system in order to support the command of the armed forces, support the national economy and support the leadership of the party and state when war breaks out. We must prepare the system of official and standby secret signal centers, attach permanent units and mobile units to these centers and make coordinated use of each type of signal equipment in order to maintain reliable, uninterrupted signal and liaison operations in every situation. The army must coordinate in the construction and utilization of the national signal system and develop the signal system of the armed forces on its own.

We must develop the signal industry in order to repair, improve and produce signal equipment under the guidelines of gradually automating signal operations and developing multi-channel radio networks, radio relay networks, underground cable lines, tele-communications networks, etc.

We must strengthen the signal-posts and telegraph systems on the important strategic fronts, particularly the primary strategic front, in order to insure that the party, the state and the army can provide timely guidance and leadership in the present situation and when war occurs. Uninterrupted communications must be maintained with the various branches and services, the various battlefields and friendly countries.

The signal-posts and telegraph sector is also a target of heavy enemy attacks, attacks designed to cut and disrupt our command lines. Therefore, it is in peace time that we must do a good job of preparing for war time signal and liaison operations; we must maintain the absolute secrecy of war time signal-posts and telegraph centers and adopt plans for actively protecting them. Of maintaining secrecy and fighting the enemy in order to protect these centers, primary emphasis must be placed upon maintaining secrecy. In addition, we must establish stationary and mobile repair forces that have the means and equipment needed to promptly repair and restore signal centers and lines.

Sixthly, preparing science and technology:

Today, science and technology are an important lever in developing the economy and strengthening the national defense system. They have become a direct production, direct combat force. It can be said that many scientific-technological achievements that benefit production are related to military activities or vice versa.

Therefore, we must accelerate the scientific-technological revolution set forth at the 4th Congress of the Party. The various scientific sectors must actively research and resolve scientific-technical problems supporting the economy and defense of the nation, resolve them in a manner consistent with the characteristics of our country and army, consistent with immediate and long-range requirements. Particular importance must be attached to matters directly related to national defense, such as the production guidelines of the national defense industry; preparations for the war time mobilization of industry; and the application of mathematics, operations research, cybernetics and so forth in the field of the military. There must be close coordination between the other scientific-technical agencies of the state and military scientific-technical agencies. It is necessary to establish clear guidelines for the development of science and technology and plan the tasks and size of research installations and national defense industrial sectors to lay the foundation for the training of cadres and the equipping of the national defense sector.

3. Preparing our strategic battle position and strategic rear area.

The purpose of preparing our strategic battle position is to achieve the highest possible combined strength of the people's war in order to defeat the

aggressor army in accordance with our predetermined strategy. In preparing our strategic battle position, we must tap the strength of the local people's war and the strength of the mobile forces to insure that each bit of soil of the fatherland is firmly defended and insure that each locality can fight independently even if the country is temporarily partitioned.

In preparing our strategic battle position, we must fully implement the guideline of being the masters of the battlefield, being the masters of the country in order to annihilate the enemy and annihilating the enemy in order to be the masters of the battlefield, be the masters of the country; the activities of the three military elements must be coordinated, the strength of each locality must be coordinated with the strength of the entire country and the strength of the unit and the collective must be coordinated with the strength of each person. Each village, cooperative, enterprise, precinct and district must be a fortress; each province must be a battlefield, the entire country must be one great battlefield. Preparing our battle position encompasses many important jobs performed by the armed forces, the agencies, sectors and echelons of the state and all the people. The preparation of our strategic battle position is closely linked to the preparation of battlefields for the local people's war and the strategic mobile forces.

The strategic battle position can consist of many factors.

Throughout the country, we must build combat villages and wards, build combat worksites, state farms and forestry sites, build the districts into solid, strong fortresses, build the provinces and municipalities into strategic units and build the military regions into important strategic fronts in order to serve as local fronts for annihilating the enemy, rear bases for the military region and the entire country and springboards from which main force, mobile forces can counter-attack and attack the enemy.

We must build sturdy, interconnected defense lines in strategically important areas. On the basis of the system of combat villages and streets and the various defense bases, we must establish interconnected combat clusters and strong defense zones, thereby creating a strong battle position of the people's war on the very frontline and all successive lines. Particular importance must be attached to the primary strategic fronts and important zones.

Within the hinterland, we must build strong defense zones in important areas, such as the major cities, the large industrial zones and all zones of strategic military, political and economic significance. We must build road systems of various types, signal systems of various types and a system of command agencies on the various levels. We must improve and construct port piers and air fields to be suited to the conditions of a war to protect the fatherland, suited to our new combat objective and our strategy.

Within each ward, province, municipality and district of the country, we must create a widespread, strong battle position of the local people's war and coordinate it with the mobile strategic forces that counter-attack, attack and defeat the aggressor army. On each strategic front, the local people's war must be strong enough to block and inflict heavy casualties upon the enemy, to pin down the strategic offensive units of the enemy, to annihilate individual components, defeat each unit and erode their combat strength, thereby creating good conditions for our strategic mobile forces to inflict annihilating blows of decisive strategic significance.

The area of operation and the structure of the permanent fortifications of the units tasked with tactical defense and campaign defense must be prepared. Depending upon raw materials supply capabilities, efforts must be focused on building defenses on the primary strategic fronts and on building key defense zones, beginning on the frontlines and then progressing to the strategic rear area.

We must prepare areas of operation and limited battlefields for the various counter-offensive and offensive plans that might be employed by the main force troops of the military regions and the strategic mobile forces of the ministry. Most importantly, we must prepare strategic and campaign roads for mobile forces, staging areas, areas for deploying the forces of the various branches and services, various types of warehouses and so forth.

On the basis of our strategy and our strategic warfare plan, we must adopt a plan for suitably deploying the battle positions of the strategic mobile corps and the various services throughout the country.

The strategic mobile corps must be deployed in a number of important strategic areas throughout the country, especially on the primary strategic front, so that they can move rapidly, assemble their forces, achieve superiority and deal the enemy thundering blows on important strategic fronts, especially the primary strategic fronts, while promptly meeting the need to coordinate in combat with the other battlefields.

We must prepare the strategic battle position of the air defense troops and the air force in such a way as to insure the creation of a strong, widespread anti-aircraft network of the three military elements throughout the country, closely coordinate stationary air defense forces with mobile air defense forces and closely coordinate annihilating the enemy with protecting targets while insuring the capability to competently and promptly reinforce the various campaigns, especially campaigns of strategic significance.

In particular, forces must be assembled to protect defense zones on the primary strategic front, protect the counter-offensive and offensive formations of the strategic mobile forces of the ministry, protect the capital or protect the nerve centers of the party, state and army.

The air force must prepare a battle position from which it can readily provide direct combat support of our defensive, counter-offensive and offensive operations, especially on the primary strategic front; readily support the activities of the navy; and launch air offensives within the territory of the enemy when necessary.

We must prepare the strategic battle position of the navy in order to protect the offshore waters, the islands and the seacoast. The navy must be closely coordinated with the self-defense forces of the fishing industry, with the combat forces on the islands and primarily with the coastal combat forces of the armed forces in order to help to defeat amphibious assaults by the enemy against our islands and seacoast.

To insure that activities are focused on the primary front, we must coordinate the strategic battle position of the navy, which includes coastal artillery installations, with the strategic battle positions of the air defense troops and air force in order to firmly protect our navy at places where ships are docked and when the navy is under enemy attack.

Preparing the strategic rear area:

The building of the strategic rear area, "the factor that routinely determines victory in war," is a vital and pressing aspect of national strategy because, only with a solid rear area that possesses strong vitality can the frontlines win victory. Lenin said: "The two basic factors in winning victory in war are inflicting heavy damages upon the rear area and the economy and thwarting the mobilization of the opposition." The strategic rear area of the entire country and the rear area of the army on each strategic front must be established on the basis of the strategic deployment of the economy and the national defense system of the entire country.

The building of the national rear area begins with building an economy that consists of important national industrial sectors, a strong national defense industry and a developed agricultural and forestry economic network. We must build a complete network of strategic roads that meet modern standards and build a system of strategic national warehouses that are well coordinated and have high storage capacity. We must establish the location of leadership agencies, build the system of command posts and build the signal-posts and telegraph centers in a well planned manner. We must build a strategic rear area that is economically and militarily strong in every respect and perfect the strategic battle position of the people's war so that we can maintain control in order to annihilate the enemy.

In addition to building the strategic rear area of the entire country, it is also necessary to build the strategic rear areas of the army in each strategic area of operation, of each military region, of each locality and of the various strategic military corps. The national strategic rear area is also the rear

area of the army; however, the army must build rear areas of its own to support combat operations on each strategic front and must prepare the battle position of the local armed forces waging the local people's war in coordination with the people's war waged by the main force corps in order to smash the aggressor army in each strategic area of operation. The strategic rear areas of the army are also the rear areas of the nation on each strategic front.

We must build strategic rear areas of the army that are fully capable of engaging in independent combat operations if the country is strategically partitioned. Only with a strong strategic rear area within each strategic area of operation can we develop a strong position and strong forces, strengthen our support of the front and insure that we always have a relative superiority of forces over the enemy and always fight from a position of strength. The specifics involved in building the army's rear area on each strategic front are the same as those involved in building the national rear area but smaller in scale and restricted to the scope of a number of rear line provinces of the military regions.

4. Preparing the armed forces:

Under the conditions of modern war, preparing the armed forces during peace time is of decisive significance in successfully carrying out the strategy of the party.

The objectives of preparing the armed forces are insuring that all three military elements of the armed forces are of sufficient size, are of high quality and have powerful, widespread reserve forces, are always in a high state of combat readiness, are ready to assemble every available force, are able to deal the enemy thundering blows at the very outset of the war, determined to win victory in the very first battles, and are able to win victory when the enemy prolongs and widens the war of aggression.

On the basis of our overall strategy, the preparation of the armed forces is very detailed; however, we will only deal here with several of the primary preparations that must be made.

First, preparing forces organizationally:

In a people's war to protect the socialist fatherland, we must attach importance to organizing all three military elements in such a way that they reflect the nature of the widespread armed struggle by all the people against aggression.

The building of the three military elements is designed to coordinate the strength of the standing, regular force and modern army with the strength of the widespread, mass armed forces and coordinate the strength of the people's war waged by the strategic mobile corps with the strength of the local people's war at each place and time. The armed forces of the three military elements

must be organized into strong, local armed forces in each hamlet, village, district, province, municipality and military region, forces that are strong enough to stop and inflict heavy casualties upon enemy troops, thereby creating the conditions for working with the strategic mobile forces to inflict decisive blows upon the enemy; they must be organized into strategic mobile forces consisting of regular force, modern, powerful and well trained branches and services that are able to promptly inflict decisive blows upon the enemy, bring about leaps forward in combat, rapidly change the battlefield situation, join the local armed forces in defeating a multi-unit strategic formation of the enemy and still be able to win victory over succeeding multi-unit strategic formations in order to totally defeat the enemy's war of aggression.

The timing of the organizing of each military element and the troop strength of each must be based on the overall political-social situation; on the schemes and capabilities of the enemy and the time when a war might break out; on the strategy of the party; and on the capabilities of our economy and the support and assistance of fraternal countries as they pertain to meeting the needs of building and maintaining this troop strength.

Generally speaking, in contrast to a war of liberation, under the conditions of a war to protect the fatherland in our country, the armed forces of the three military elements must be strongly developed at the very outset and developed on a very large scale.

Ordinarily, the long-term maintenance of large standing armed forces in order to complete the strategic task faced during the initial period of a war goes beyond the capabilities of the economy of any country, even the countries with the strongest economies. Economically, our country is still limited in many ways; however, the requirements of combat and combat readiness are very urgent, consequently, we must make very thorough calculations to insure that we maintain a high state of combat readiness and are able to win victory in the first battle, during the opening period of the war and on the frontline; insure that we have the strength once war breaks out to rapidly mobilize our armed forces in accordance with the war time plan and put the country on a war time footing; and insure that we do not go beyond the capabilities of the country's economy. To resolve this problem, our party has adopted the guideline of coordinating economic construction with the strengthening of the national defense system, coordinating the military obligation and the obligation to work. The people's army must perform two tasks: fighting and maintaining combat readiness are its most important task while participating in economic construction is also a very important task. In this situation, each battlefield and unit must be reorganized in a manner suited to these two tasks; however, specific organizational steps must be taken to insure success in combat, insure a high state of combat readiness and insure successful economic construction.

In the organizing of each element of the military, attention must be given to the following:

--The militia and self-defense forces are mass armed forces that engage in production on a daily basis, are the assault force in production. Therefore, we can immediately develop this force widely and strongly so that it represents a suitable percentage of production workers; however, we must insure the quality of this force, especially its political quality, and must deploy this force in an efficient manner in each region of the country, especially in the important strategic areas of operation. The scale of organization of the militia and self-defense forces must be consistent with the gradual development of large-scale, socialist production, consistent with the requirements of the task and mode of warfare of this force. The actual scale of combat of these forces is determined by specific conditions at each place in order to achieve the highest possible fighting strength and be able to fight on a continuous basis.

--The local troops are part of the system of the standing army and play the role as the nucleus of the people's war within the locality. In the country's present situation, to determine what the troop strength of the local troops of the districts, provinces and municipalities must be, we must take into consideration combat readiness needs and the capabilities of the economy. Priority must be given to the provinces and districts in important areas, especially on the primary strategic front. The various branches must be organized in a manner corresponding to the scale of organization of district and provincial local troops in order to achieve a combat strength consistent with this scale. The provincial and district military commands must be organized in a suitable manner so that they are strong enough to command the local armed forces, guide the militia and self-defense forces in urgent combat and, at the same time, meet the requirements of carrying out a large-scale mobilization during the war.

The border public security forces must adopt unified combat plans and establish unified commands within each province and zone to insure the close coordination of the various military elements within each locality.

--The main force troops, which are the most important component of the standing army, consist of increasingly modern and well trained branches and services. It is necessary to clearly establish the troop strength, organization and staff of the main force troops in the present situation and the troop strength, organization and staff of these troops once a large-scale war breaks out so that they are capable of successfully carrying out the strategy of the party during the initial period of the war and are ready, once war does break out, to rapidly develop their various branches and services so that they are capable of defeating the aggressor army.

--The organization of leadership, guidance and strategic command agencies must be strengthened to support the leadership, guidance and command of the armed forces of the entire army and on the important strategic fronts and insure the maintenance of the command structure on the primary strategic fronts and the other fronts in every situation of the war.

Research must be conducted in order to constantly improve the military art of the armed forces. In the new situation, we must thoroughly research the strategic schemes and the campaign and tactical plans of the enemy while resolving our campaign and tactical problems and problems pertaining to the organization of the staff, the equipping and the combat support of each type of stationary and mobile combat unit. We must promptly gain the latest experiences in order to supplement our knowledge and theory regarding a war to protect the fatherland. We must study the modern military theory and art of the fraternal countries as they apply to the specific conditions of Vietnam.

Secondly, preparing for a mobilization:

When a war is about to occur or has already broken out, we must carry out a general or partial mobilization. During the initial period of a war, a mobilization is the principal strategic measure employed to rapidly increase the armed forces, shift the armed forces from a peace time to a war time footing and promptly assemble every available force in order to carry out the strategy of the party. The mobilization must be continued throughout the course of the war in order to compensate for our losses and establish new units.

A mobilization must be rapid, timely, secret and secure, must meet all quantitative and qualitative requirements and must insure that newly mobilized units can promptly go into combat, especially during the initial period of the war.

A mobilization is dependent upon the number of persons who have been trained and the quantity of weapons and technology that have been prepared; therefore, we must do a good job of preparing reserve forces for a mobilization. In contrast to a war of liberation, a war to protect the fatherland under modern conditions involves very urgent and very large manpower, weaponry and technological requirements. Therefore, we must, during peace time, urgently train and develop the reserve forces and alternate units in order to meet the needs of restoring and developing the various branches and services and compensating for our losses during the war.

Although we might have many militia and self-defense forces, if these forces have not fulfilled their military obligation, it is difficult to meet the requirement of supplementing the regular force, modern armed forces. Therefore, in conjunction with the sources comprised by the militia and self-defense units, we must take positive steps to train and develop the reserve forces that have been trained through the fulfillment of their military obligations within the various branches and services. In order to rapidly train many of these reserve forces, the timing of inductions must be carefully planned.

In addition to the troops that have been discharged, it is necessary to adopt a plan and establish a military training program for all youths who have not

fulfilled their military obligation yet in order to mobilize them into the army without requiring much time to train new soldiers.

In order for the success of the preparation of reserve forces to be firmly guaranteed, it is necessary to research and resolve such problems as how many forces and units of the central level and the local level will be mobilized and organized for the various branches and services in time of war. We must also determine on which fronts and in which zones these projected forces will be deployed in order to prepare manpower and materiel for mobilization within these zones. It is necessary to register all persons of draft age, both those who have and those who have not received military training. It is also necessary to establish regulations on deferring persons who must remain on their jobs and not be mobilized within the enterprises and agencies of the national economy. A supplementary mobilization system must be established that provides for supplementary mobilizations in individual phases or supplementary mobilizations for individual zones. The best method of registration and deployment is the system of mobilizations by zone in order to reduce transportation time and facilitate management by the various military regions and the provinces. The villages, districts, provinces, municipalities and military regions should be assigned the task of organizing these forces into platoons, companies, battalions, regiments and even complete divisions to be turned over to military personnel units.

Modern warfare demands a very large number of technical cadres and personnel for the various branches and services. Therefore, training and developing the corps of technical cadres and personnel are jobs of central importance and must be given full attention. In addition to urgently expanding training under the military draft system for the various technical sectors within the army, it is necessary to coordinate universal military training with specialized training in the military technical sectors for manual workers, personnel and cadres of the specialized technical sectors of the state who possess similar technical skills so that the forces of the technical branches and services can be mobilized and expanded when necessary. We can also allow the sectors of the state to organize specialized-technical units, such as engineer units, land and water transport units, signal units, public health units and so forth, to be turned over to the army when a mobilization takes place.

It is impossible to talk about organizing new units without resolving the cadre problem, especially the problem of specialized-technical cadres. We must provide advanced training for those non-commissioned officers who have been discharged so that they can serve as reserve officers; we must provide military training and military specialized and technical training under the various college and vocational middle school training programs; and we must expand the training of command cadres and specialized and technical cadres within the standing armed forces. Middle and high ranking cadres must be

trained within the various branches and services and at schools and academies; these cadres must be used to organize regimental and division sections of the various branches and services so that they can routinely perform the task of training new soldiers in order to increase reserve roles and manage reserve military training. When war breaks out, these sections will become the sections of the new units. As regards the amount of time spent training command cadres and specialized cadres, it is necessary to research ways to suitably reduce the amount of training time, ways that insure the quality of training while meeting the very large need for manpower when a mobilization for war occurs. The specialized and technical sectors must also develop the training of such high level specialized cadres as engineers and physicians; at the same time, they must expand the training of middle level specialized and technical cadres and personnel in order to promptly meet the large requirements of the various sectors and levels of the armed forces.

In addition, when truly necessary, it is possible to organize militia and self-defense units into local army units and upgrade local army units to main force units. However, attention must be given to maintaining balance among the three military elements and balance between the local people's war and the mobile main forces.

Mobilizations must be rapid and timely, must provide for adequate, well qualified manpower and must be secret and safe.

Under the conditions of modern war, if the enemy launches a strategic air attack, they might cause us to encounter major difficulties in our signal, liaison, communications and transportation operations, thereby posing major difficulties to a mobilization. Therefore, mobilization procedures must be simple and the method of mobilization should be a decentralized, local method of mobilization.

Of decisive importance is the need to make thorough preparations during peace time under a detailed plan in order to routinely manage reserve forces in a tight, scientific manner. To facilitate this management and provide for a rapid, well coordinated mobilization, we should assign the districts, provinces, municipalities and military regions the task of organizing complete units. To enable manpower, weapons, technology and materiel to be rapidly sent to combat units, we must avoid complex mobilization procedures.

It is necessary to organize many mobilization centers in many different zones and prepare these mobilization centers with the ability needed to establish troop units and military corps. The mobilization registration must be prepared during peace time so that each center has an adequate number of specialized and technical cadres and personnel for the zone surrounding it. Of course, it is impossible to avoid a shortage of technical cadres and personnel and impossible to avoid the need to send such personnel from one place to another

to compensate for shortages. However, the more transportation time is reduced, the more rapidly and systematically we can establish units.

Within each mobilization center, we must organize well coordinated warehouses capable of equipping the units we intend to establish in order to avoid complex transportation procedures and avoid transporting equipment from many different places when war breaks out or is about to break out.

Within each province, municipality and military region, we must organize many mobilization centers and give particular attention to thoroughly preparing the mobilization centers of the various branches and services under the ministry to insure the organization of strategic mobile forces in time for use on the primary strategic front.

Because a mobilization is widespread, complex and related to many sectors and units, we must conduct trial mobilizations in order to gain experience and eventually standardize regulations and deadlines and constantly improve our mobilization plans and methods. Trial mobilizations must be conducted for both personnel and technical equipment. Military, civilian, governmental and party agencies must be closely coordinated under the command of the unified provincial or municipal military command in the trial mobilization in order to gain experience for dissemination to the various sectors and levels.

Thirdly, preparing cadres:

Preparing cadres is a very basic matter of very important strategic significance in the preparation of the armed forces. This is a very large and very complex task related to everything in and outside the army, a task that must be performed in a planned, meticulous, urgent and long-range manner before we can be able to meet the large needs involved in developing regular force, modern people's armed forces, meet the needs of the buildup of existing armed forces and meet the needs of a mobilization when war breaks out, thereby insuring that the country is always ready to defeat the aggressor army in every situation of the war.

The guidelines and task involved in building the corps of cadres must thoroughly reflect the resolution of the 4th Congress of the Party and the resolutions of the Party Central Committee concerning the line and task of the revolution in the new stage. Every effort must be made to build a corps of cadres that is solid and strong in every respect; a corps that has an efficient, complete structure which reflects balance among the various branches and services and among the three military elements; a corps that is well balanced in terms of command cadres, political cadres, professional-specialized cadres and scientific-technical cadres in accordance with the increasingly high requirements of building a regular force, modern people's army; a corps that has cadres from main force units, local units, militia and self-defense units, cadres from the standing army and reserve cadres.

The corps of cadres must possess good political qualities, be absolutely loyal to the party, possess a high will to fight, be well disciplined and be united and coordinated; these cadres must love one another, uphold the right of collective ownership of the masses, respect the people, practice international solidarity, conduct research and study with enthusiasm and desire to make progress. At the same time, these cadres must possess basic, comprehensive knowledge of and be skilled in organization and the command and guidance of troops and special fields and technology in order to meet the requirements of combat coordination among the three military elements and among the various branches and services on a large scale in a war to protect the fatherland, whether this war involves ordinary weapons or weapons of great destructive power; these cadres must also possess knowledge and ability in economic construction in order to coordinate the economy with the defense of the nation, the defense of the nation with the economy, and guide troops in carrying out production with high labor productivity.

Attention must be given to building a corps of scientific-technical cadres who are sufficiently qualified to resolve matters involving modern military science and technology. Efforts must be focused on building the corps of sector leaders. Importance must also be attached to production cadres.

The structure of the corps of cadres of the Vietnamese people's armed forces consists of cadres from the three military elements: main force troops, local troops and the militia, self-defense forces and two categories of officers: standing officers and reserve officers.

Standing officers must possess the comprehensive qualities and abilities of the regular force, modern army; they must be able to coordinate the various branches and services on a large scale, must have combat experience and must be well trained.

Reserve officers encompass all branches and services and all the necessary specialized and technical sectors. The number of reserve officers must be enough to meet the requirements of a mobilization when war occurs. They must receive regular training in order to constantly heighten their quality and the vast majority of them must receive training within the standing forces. We must establish a scientific, tightly structured mode of management and registration so that we can mobilize the highest number of reserve officers possible.

Reserve officers come from four sources: standing officers who have been transferred outside the army, non-commissioned officers who have been transferred outside the army, students and state cadres, with the principal sources being non-commissioned officers and students.

We must establish the ratio of troops to the population and the ratio of cadres to total troop strength in a manner consistent with peace time and war time, consistent with the capabilities of the country.

The quality of cadres must be considered the matter of decisive importance both in the immediate future and over the long range; in peace time, all available time must be used to improve the quality of the corps of cadres.

To insure that we acquire the ample number of high quality cadres, importance must be attached to the organization of implementation.

It is necessary to plan and stabilize the organization of the forces of the army in peace time and in time of war. Army organizational work must proceed a step ahead of everything else in a manner consistent with the requirements of the army's tasks and actual capabilities in order to effectively meet quantitative requirements and improve the quality of cadres.

Plans must be adopted for providing cadres with training in the immediate future as well as over the long range. We must research the standardization of qualifications and regulations on the training and development of each type cadre, each level, each sector, each trade and each branch in order to lay the foundation for cadre training. We must strengthen the system of regular-force schools because this is the key in acquiring the adequate number of cadres and improving the quality of cadres. We must strengthen the various schools within the army, which includes planning the system of schools, transferring and training instructors, investing in equipment, summarizing battlefield experiences and so forth. We must coordinate with the other schools of the state for training purposes (primarily the training of reserve officers) and endeavor to acquire foreign military scientific and technological advances (primarily in the modern branches and services).

Importance must be attached to preparing cadre sources, especially cadres who have been forged and challenged in combat. Persons who fought in the war of resistance against the United States, fought on the southwestern border or fought on other battlefields should be sent for training.

A plan must be adopted for mobilizing cadres in peace time to insure the mobilization and development of forces when war breaks out. This mobilization plan must be well balanced and encompass local command cadres, specialized cadres and technical cadres so that the localities can rapidly organize complete infantry units and military corps. A plan must be adopted for mobilizing scientific-technical cadres of the various state sectors to support the national defense industry. Various forms of mobilization can be employed: mobilizing persons for full-time service on an indefinite basis; participating in the research of special subjects; and being assigned research projects.

The commanders and management cadres of the sectors of the state and the various local party committee echelons must research a number of necessary military matters relating to a war to protect the fatherland and to guiding the people's war within the locality.

Fourthly, making material-technical preparations:

The scale and the level of organization of the armed forces are based primarily upon equipment, weaponry and technical capabilities. In equipping the three elements of the armed forces so that they are strong enough to defeat a large aggressor army, weapon, equipment and technical needs are very large. On the basis of our strategic determination and strategic plan, we must carefully calculate the total amount of weapons, materials and technology needed for the armed forces during the initial period of the war and project these needs for the entire course of the war. On this basis, we must formulate a plan that stipulates which weapons, equipment, materials and technology must be maintained well and used in an economical manner; which can be produced and supplied by the country's economy and the national defense industry; which must be used to meet resupply requirements; which must be available immediately; and which can continue to be supplied in the course of the war.

It is usually difficult to make these calculations with a high degree of accuracy; however, they must basically satisfy the needs involved in implementing our strategy during the initial period of the war. To meet these needs, we must rely upon reserves established in peace time. Material and technical reserves are generally divided into many levels: reserves at units, supplementary reserves within the military regions and the various services and branches and strategic reserves.

In war, the volume of transportation is very large and the enemy will focus attacks on transportation lines and facilities. Thorough preparations must be made regarding organizing transportation from warehouses to units. Warehouses must be deployed in an efficient, secret and safe manner consistent with the strategic warfare plan and the combat plan of each level.

It is necessary to make good use of each means of transportation, such as highways, railroads, pipelines, river routes, ocean routes and air routes. We must prepare secret railroad stations, ports and trans-shipment terminals and prepare the equipment needed to rapidly handle cargo at warehouses, railroad stations and ports. We must construct detour routes and alternate routes around strategically important places.

We must organize the protection of warehouses and communications hubs against enemy air attacks and sabotage. We must prepare road repair units and not allow roads to become obstructed, especially on the primary strategic front.

We must research the organizing of local support units, such as repair units and transport units, that can immediately be mobilized at enterprises and within localities as fighting approaches.

Rear services must be prepared under the guideline of establishing strong, local people's rear services and strong mobile rear services. Rear services

must be strong on the primary front, strong on each of the most complicated fronts; each front must provide itself with the grain and food needed to keep fighting in every situation. We must begin in peace time to prepare an efficient system of warehouses that reflects balance between army warehouses and the other warehouses of the state and coordination between the army and the other sectors of the state, such as the public health sector, vehicle repair shops, signal units and so forth in order to insure that each locality and each strategic area can resolve many of its problems on its own and not wait for assistance from the upper level. At the same time, we must establish strong mobile rear service forces to promptly support important, primary campaigns, especially on the primary strategic front.

Fifthly, preparing the combat readiness of the armed forces.

The combat readiness of the armed forces encompasses both increasing their fighting strength and raising their level of combat readiness. All activities of our armed forces in peace time have the objective of increasing the fighting strength and raising the level of combat readiness of all three military elements, from the basic units upward.

Under the conditions of a war to protect the fatherland, combat readiness requirements are very high, especially with regard to the armed forces on the frontline, air defense units and the units of the air force and navy. All three military elements, all branches and services must maintain a high level of combat readiness and be able to attack the enemy as soon as they violate our national border, when they violate our offshore waters but before they land troops on shore or when they drop troops from the air but before these troops reach ground. Combat readiness must be maintained so that they can promptly and rapidly assemble a superiority of forces to deal the enemy annihilating blows and defeat a strategic multi-unit formation of the enemy; at the same time, we must be able to rapidly carry out a mobilization of forces and constantly and rapidly increase the fighting strength of the various services and branches so that they have the strength to gradually but quickly defeat the aggressor army.

To maintain a high state of combat readiness, it is necessary to perform good political educational work to deepen the hatred of the enemy, heighten the spirit of revolutionary vigilance and raise the level of combat readiness, determined to defeat the aggressor army in accordance with the strategy of the party. The strategic battle positions of the three military elements must be rapidly deployed. An alert system and a specific level of combat readiness must be established for each service, branch and battlefield. The effort to learn about the enemy's strategy and campaign and combat operations must be intensified. We must organize rear service and technical support for all units, especially those on the primary strategic front. We must organize a unified, tightly structured, direct command throughout

the military. We must suitably deploy the command posts of the various echelons and gradually modernize and automate command operations on the strategic echelons and in the necessary services, branches and units.

Sixthly, providing training to improve the quality of combat of the armed forces:

Improving quality is a matter of decisive strategic significance in the growth and victory of our armed forces. Lenin said: "Even the best army, even persons who are totally loyal to the revolution will be rapidly annihilated by the enemy if they are not fully equipped, fully supplied with food and fully trained"(Lenin, "Selected Works," Su That Publishing House, Hanoi, Volume 25). Only a well trained army can use high quality to win victory over a large number of forces and employ the method of fighting of using small forces to create large strength in order to win victory.

Military training is a central, very important task in peace time, a task that has the purpose of molding fighting skills and increasing the fighting strength of the armed forces. Maintaining combat readiness in order to successfully carry out the military mission of the armed forces in time of war depends, to a large extent, upon combat training, upon planned and regular maneuvers in peace time in accordance with the combat plan. Importance must be attached to organizing and conducting maneuvers on the continental shelf, especially for basic units; importance must also be attached to maneuvers for the command agencies on the various echelons in order to improve their ability to command combat operations that are coordinated among the various branches and services.

It is necessary to adopt a training plan for all three military elements that is consistent with the mode of warfare of each element, consistent with our combat objective, consistent with the combat task and the terrain in the area of combat operations. Training to improve the quality of combat of the armed forces must keep pace with the development of Vietnamese military art.

In the face of the requirement of upgrading our army to a regular force, modern army, command training and the training of command agencies are a central, routine part of training operations. It is necessary to summarize the combat experiences gained in the recent wars for prompt dissemination to all units and localities.

Seventhly, organizing strategic military intelligence:

Strategic military intelligence is a very important part of national intelligence, the purposes of which are: fully assessing the total potentials of the opposition, primarily their military potential; fully assessing the strategic plans and actions of the opposition; fully assessing the forces and the scale of the use of forces of the opposition as well as their ability to mobilize additional forces and the support capabilities of their material-

technical bases; determining when they might launch a war; fully assessing the mode of strategic warfare and the strategic plans of the opposition; and fully assessing the modes by which the opposition launches and wages a war. Importance must be attached to coordinating the various modes of intelligence in order to quickly learn about the schemes and acts of aggression of the enemy army so that we can adopt an effective plan for making preparations and being ready to defeat them.

Part III

In modern war, not much time is available for putting the country on a war time footing. Every job must be carried out very rapidly in accordance with the comprehensive, predetermined plan and efforts must be made to complete these jobs in a short space of time.

Mobilizing all the people to wage a war of resistance and putting the country on a war time footing are a very large political, economic, military, cultural and scientific-technical mobilization carried out throughout the country, among all the people and throughout the army to insure that we retain our initiative politically, militarily, diplomatically and so forth from the very outset of the war.

This is a strategic measure of extreme importance, one that determines success or failure in war, one that has the objective of mobilizing, under a strict system, the entire potential of the country in order to create a combined strength capable of defeating the aggressor army.

Putting the country on a war time footing involves putting the entire armed forces into a war time status, reorienting the entire national economy toward supporting the war and supporting everyday life and putting the entirety of social life on a footing consistent with the laws of war.

Smoothly maintaining each activity of the state and all the people during a war is a matter of survival to the country, is a difficult, complex and very costly job; if preparations are not made in peace time and if the plans we adopt are not accurate or are lacking in detail, we will be unable to take action and will incur losses.

We must insure that the apparatus of the state possesses strong vitality in time of war and insure the stable, responsive and safe operation of the agencies that provide strategic guidance in order to be able to successfully guide both fields of activity in time of war, combat and production.

1. Specific requirements.

First, we must put the armed forces into a war time status.

This is the task of foremost importance in promptly defeating the aggressor army during the initial period of the war and insuring that the entire country is put on a war time footing.

Putting the armed forces into a war time status encompasses many matters.

Deploying existing forces: in a modern war, the strategic combat readiness deployment must be closely linked to the strategic deployment of the armed forces in order to maintain our strategic initiative and maintain initiative in combat and in our activities in the face of the enemy. The strategic deployment of the armed forces is an integrated measure designed to shift the armed forces from peace time to war time and put the armed forces into a state of combat readiness in the various territorial zones of the country and on the primary strategic front within "predeployed battle positions."

The strategic deployment of the armed forces primarily involves shifting the armed forces into a state of comprehensive combat readiness and supplementing them with a complete war time staff and equipment structure.

The principles underlying the strategic deployment of the armed forces are maintaining secrecy, acting rapidly and taking action before the enemy in order to create a relative superiority of forces on the primary front, seize the initiative, put the enemy into a disadvantageous position and thwart the combat plans of the enemy in the initial stage of the war. The strategic deployment of the armed forces must be based on our latest strategic warfare plan and strategy so that the armed forces are ready to defeat enemy air attacks, airborne landings followed by ground assaults, amphibious landings, internal rebellions fomented by the enemy and so forth. Intelligence and reconnaissance activities must be intensified. Leadership and command agencies must be moved to safe locations and signal and liaison facilities must be firmly protected.

Carrying out the mobilization and organizing forces: the mobilization is a strategic matter and must be carried out as urgently as a "campaign." In order for a mobilization to be rapid, systematic, complete, secret and safe, it is necessary to emphasize the local nature (the province, municipality and military region) of mobilizations, necessary to delineate zones and make thorough preparations in peace time; particular importance must be attached to the reserve military forces that have received military training and been equipped with materials and technology. Importance must also be attached to mobilizing and establishing new, complete units; this is a modern mode of mobilization that is very well suited to modern warfare with its high rate of attrition, short time span and rapid rate of development. Supplementary mobilizations must be carried out to bring the staff and equipment of the various branches and services as well as local troops up to war time standards in accordance with the plan prepared in peace time and the predetermined mode

of mobilization. We must establish numerous transportation corps and mobilize individual transport units of the other agencies of the state to serve as military transport units. Together with the agencies and sectors of the state, it is necessary to organize communications, signal and public health support units. The engineer corps must be strongly developed.

The effort to put the armed forces into a war time status (deploying forces and carrying out a mobilization) must begin with thorough preparations in the field of political education, thorough organizational preparations and the adoption of a detailed plan in peace time. Attention must be given to amending and perfecting the Military Draft Law and labor obligation and to officially promulgating various types of policies and regulations related to the Mobilization Law.

Secondly, putting the national economy on a war time footing:

There must be adherence to the following guidelines in putting the economy on a war time footing:

--The economy must be mobilized to support the war. The plan for transferring manpower and equipment within the national economic sectors to the army for its use must be implemented. Certain units of the national economic sectors must be shifted to military tasks, such as transport units, communications, signal and public health support units, repair stations and so forth. The organization of communications-transportation and signal-posts and telegraph operations must be militarized to support the war.

--It is necessary to develop war time production. In accordance with the plan formulated during peace time and once the mobilization has been carried out, we must rapidly reorganize our forces, means of transportation, raw materials and finished materials, stabilize the staff and organization and continue production in order to support the war and support everyday life.

The economy must be protected in war. Industrial projects, agricultural projects and warehouses must rapidly be moved to stipulated locations. Those enterprises and projects remaining behind to carry on production must begin the construction of protective fortifications, evacuate necessary components and organize the thorough protection of their facilities against air attacks and commando raids. The air defense organization of the militia and self-defense forces must be closely coordinated with the air defense units of the army.

--The national defense industry must be strongly developed. The staff and equipment of national defense factories and enterprises must be supplemented. Additional necessary national defense enterprises must be established. Those factories and enterprises that shift their production to supporting the war

effort must be under the direct guidance of the state. There must be close coordination between the national defense industry and the other industrial sectors of the state producing in accordance with the requirements of the war.

Thirdly, putting the entirety of social life and the rear area of the country on a war time footing:

This effort encompasses many matters, such as evacuating the people in accordance with the plan; supporting everyday life and stabilizing life at the new population centers; organizing the protection of the life and property of the people; digging fortifications, organizing rescue and civil defense operations and organizing self-defense units. State agencies (military, civilian, governmental and party) must be relocated and protected and their normal, safe operations must be insured. We must insure the stable operation of enterprises, state farms, worksites, cooperatives and so forth. The style of leadership, guidance and command, the style of work and the routine of everyday life must be changed to be consistent with war time circumstances.

2. Measures for organizing implementation.

Putting the country on a war time footing is an extremely urgent and complex job. Without taking numerous large-scale measures that were thoroughly prepared in peace time, have been put into the form of state law and have been put on a regular basis and practiced until proficiency is achieved, it is impossible to effectively put the country on a war time footing, impossible to avoid chaos and major losses.

There are many measures that must be taken; however, efforts must be concentrated on preparing the following four major measures well:

First, we must intensify our intelligence and reconnaissance operations and take positive steps to thwart the intelligence and reconnaissance activities of the enemy.

On the basis of intelligence and reconnaissance activities organized and carried out in peace time as described above, intelligence and reconnaissance activities during this period must be intensified and must focus on determining the day and hour when the enemy might launch a war, the movement and deployment of enemy infantry, the directions from which the enemy might attack, the primary direction of attack and the strategic measures the enemy might employ when launching the war and during the initial period of the war.

At the same time, every possible step must be taken to thwart the intelligence and reconnaissance activities of the enemy by maintaining the complete secrecy of our activities and by destroying espionage teams and the various types of enemy land, air and sea observers.

Secondly, we must firmly assess our actual strengths, the potentials of the country and our military potential.

We must establish strong civilian and military planning agencies to assess the potentials of the country within the various sectors and agencies of the state in order to formulate a plan for putting the country on a war time footing.

During a war, we must mobilize and utilize the entire strength of the country in order to win victory; as a result, it is necessary to research and organize agencies in charge of coordinating the economy with the national defense system within the various sectors of the economy and the scientific sectors of the state and coordinate these agencies with the sectors preparing the plan for supporting the war.

Thirdly, regulations and laws must be adopted governing combat readiness and mobilizations.

Each and every activity of the armed forces in peace time is designed to increase its fighting strength and raise its level of combat readiness; of these activities, establishing regulations governing combat readiness and strictly implementing them from the high command to the basic unit and establishing regulations on mobilizations and strictly carrying them out within the various ministries, sectors and localities play an extremely important role in rapidly putting the armed forces into a war time status and rapidly increasing the strength of the armed forces so that they are strong enough and ready to defeat the aggressor army.

A powerful army which is not combat ready can easily be defeated, especially during the initial period of a war, if it does not have strict combat readiness regulations.

These combat readiness and mobilization regulations must be approved by the state and become state law. These regulations must be detailed, unified and clear and a plan must be adopted for very thoroughly implementing them. Regulations on alerts must clearly stipulate uniform signals to be utilized and must insure the rapid and secret transmission of these signals. Combat readiness regulations must clearly stipulate the various states of combat readiness so that we can be in a high state of combat readiness and still participate in normal activities, thereby reducing the level of tension. Mobilization regulations must clearly stipulate the scale and mode of mobilizations, that is, whether a partial or total mobilization is required, whether a secret or public mobilization is required, etc. The objective of the mobilization must be clearly stipulated and mobilization plans must be prepared in advance for every situation that might develop during the war.

Fourthly, we must organize a unified, centralized leadership, guidance and command structure.

To promptly put the country on a war time footing in exact accordance with the plan, we must strengthen the unified, centralized leadership, guidance and command organization throughout the country. This is the most important measure in organizing implementation, one that is part of the organization of the state and the military organization of the country. We must research suitable organizations extending from the upper to the lower levels and establish clear laws governing the establishment of these organizations, laws that reflect the system "the party leads, the state provides management and the masses exercise ownership" in the area of national defense in peace time as well as when war occurs.

Preparing the country for combat and mobilizing all the people for a war of resistance against foreign aggression are a matter of national strategy, an extremely important task of the country. This article has only dealt with a number of primary factors relating to this matter. It is necessary to conduct detailed research and closely observe the performance of this work within each locality and throughout the country in order to gradually perfect the theory pertaining to it for the purpose of promptly supporting the work of guiding ourselves to be ready to win victory over every enemy aggressor.

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CSO: 4209

MILITARY AFFAIRS AND PUBLIC SECURITY

IMPROPER USE OF COOPERATIVE FIELDS DISCUSSED

Hanoi NHAN DAN in Vietnamese 31 Jul 79 p 3

[Readers' Opinions column by Bui Thanh Van, Hanoi: "An Improper Method of Increasing Production"]

[Text] We have had an opportunity to go work in a number of localities and have observed that the increased grain production of many agencies and enterprises is not in accord with the spirit of the Central Committee. Borrowing the good fields of the agricultural cooperatives in order to carry on self-sufficient production is rather widespread. At cooperative H.T. in Xuan Thuy district, Ha Nam Ninh Province, there are more than 20 agencies and army units that borrow fields. Some agencies borrow fields from two or three cooperatives. On the average, each year an individual producer receives more than 2 quintals of grain but standards for grain supplied by the state are not reduced. There are even people who use the name of an agency to borrow the fields of the cooperatives but who then work for themselves. The fields of the cooperatives have become means of "diplomacy" and "theft" between a number of cooperative cadres and individuals. Even more serious is that many cooperatives abandon their plowing, harrows, fertilizer, seed, etc to go work these fields but they do not settle things in a straightforward way. This situation leads to many negative aspects in the agricultural cooperatives. Cooperatives lend their fields but taxes and food obligations are not reduced and production expenses are not settled in a straightforward way and this has caused nonexistent expenditures; cooperative members have become suspicious and there has been a loss of solidarity among the cadres. The director of a cooperative in Ha Bac said that "lending fields is wrong but agencies and units come to borrow them and we have had a relationship with them for a long time. If we don't lend the fields then later on, if something urgent arises, they will cause trouble." Besides the negative things mentioned above, at a number of agencies and units the improper movement to increase production has had a bad effect on operations and wasted labor. There are even agencies that use vehicles to go make contact, look after things and harvest [the crops] and waste much state gasoline and oil.

We propose that the provincial and district people's committees and the sectors responsible at the central echelon immediately check this problem. If an agency is doing something wrong, it must be required to return the fields to the cooperatives. Any agency or unit producing on fallow land must have detailed production plans in order to not affect specialized tasks and avoid wasting labor. Vehicles managed by their units should not be used in order to make trips for personal convenience. Any agency that rents the buffaloes and cattle and buys the fertilizer and seed of an agricultural cooperative must settle things in a straightforward way with the cooperative.

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CSC: 4209

ECONOMIC PLANNING, TRADE AND FINANCE

ARTICLE STRESSES NEED FOR BALANCED BUDGET

Hanoi NGHIEN CUU KINH TE [Economic Studies] in Vietnamese No 3, Jun 79
pp 31-39, 49

[Article by Le Van Tui "State Finance and the Money-Commodity Balance in the Present Stage"]

[Text] Correcting the Imbalance Between Money and Commodities, a Pressing Requirement in Stabilizing and Developing the Economy in the Present Stage

The post-war economy in our country is experiencing many imbalances. One of these imbalances is the imbalance between money and commodities, between needs that can be met and the ability of society to supply commodities.

The imbalance between money and commodities is an overall reflection of the lack of balance between production and consumption, of the failure of production to promptly meet consumer needs. In our country, this situation was most evident during the years of the resistance against the United States for national salvation (1966-1975). In general the war slowed the rate of development of production. During the 10 years of the war, the gross product increased 37.5 percent and national income increased 28.5 percent while many of the needs of society increased much more rapidly; the capital invested in capital construction and the number of manual and office workers increased nearly two times, national defense expenditures increased many times and cultural-social expenditures as well as many other expenditures increased at a rate more rapid than the rate of development of production. As a result, production developed slowly while consumption increased rapidly. The war also caused production costs to rise, thereby causing national income to increase at an even slower rate. The war caused an important percentage of accumulated capital to become costs of a post-war consumption nature (the cost of capital construction to restore production, communications, transportation and other projects destroyed in the war). Although we maintained and developed production under war time conditions and although we had tremendous assistance from the fraternal socialist countries and numerous

other countries, we were still unable to establish a balance between the ability to supply commodities and the consumer needs of society, unable to establish a money-commodity balance. This situation was not peculiar to our country, rather, it is a common situation found in all countries at war. As the war grew in length and intensity, this imbalance worsened and the consequences that had to be overcome after the war became increasingly serious.

Today, several years after the war, we have restored and developed production but, due to many objective and subjective causes, production has yet to promptly meet consumer demands. The imbalance between money and commodities has become more serious instead of being reduced.

As a result of the achievements recorded in socialised transformation and construction and as a result of the role played by the state in organizing and managing the economy, the imbalance between money and commodities has not led to a universal decline in the purchasing power of the dong. However, the state has had to implement a system of distribution for essential commodities while, on the unorganized market, prices have undergone numerous changes and been steadily increasing. As the degree of imbalance between money and commodities has increased and the scope of the commodities included within the system of distribution has broadened, the difference between prices on the organized market and prices on the unorganized market has become increasingly large and the volume of currency in circulation on the unorganized market has increased. This situation has caused many negative phenomena.

1. The role played by the organized market in providing leadership and guidance has been limited. In many cases, the organized market has been under heavy pressure from the unorganized market.

2. Many difficulties have been encountered in consciously utilizing the relationship between commodities and money as it objectively exists within the economy to organize and manage the economy. Money has not fulfilled its functions, especially the function of being a measurement of value and the function of being the means of circulation. Money has not played the role as an overall measurement of value in order to evaluate the economic returns of enterprises and correctly establish the economic returns of management policies and measures. It has also failed to play the role as the natural intermediary within economic relations. In many cases, the daily trade relations among economic organizations as well as between economic organizations and the people have not been of a completely economic nature, rather, they have been turned into administrative relationships due to the need for direct intervention by state agencies. Generally speaking, such intervention is necessary when there is a shortage of commodities; however, it cannot always be used to meet the requirements of production and everyday life of each economic unit and each citizen.

It is as difficult to sell products as it is to purchase products; due to the shortage of commodities, circulation is slow, national income and production have increased slowly and the recirculation of capital has been carried out slowly.

3. Distribution relationships have become more complex and the law of distribution in accordance with labor has been violated. The income of manual and office workers, of legitimate laborers is declining. Purchasing policies, price and wage policies and so forth have not played their full role in stimulating production.

4. The staff of the management apparatus, especially of the apparatus managing and distributing commodities and the circulation apparatus, has burgeoned due to the very large volume of administrative management work in circulation and the long amount of time needed to sell and purchase commodities has adversely affected social labor productivity.

The imbalance between money and commodities is having an adverse effect upon production, circulation and distribution. The difficulties in production, circulation and distribution have had reciprocal impacts upon one another, thus worsening the money-commodity imbalance and creating a growing cycle of difficulties. This is a major obstacle to stabilizing and developing the economy following the war, an obstacle to socialist transformation and construction.

We maintain that it has come time for us to raise the matter of correcting the imbalance between money and commodities as a pressing requirement in order to put our economy within the orb of normal development, considering this to be an effective economic measure in rapidly stabilizing and developing the economy and lay the foundations for building and perfecting the economic management system on the basis of consciously applying the various economic laws of socialism and the other economic laws to the realities of our country, thereby helping to abolish the negative phenomena that now exist within economic life and social life. In substance, the imbalance between money and commodities is an imbalance between production and consumption. To correct the imbalance between money and commodities we must restore the balance between production and consumption within a binding relationship among production, distribution, trade and consumption. Examined from the point of view of products, production has the purpose of meeting consumer needs, and consumption cannot go beyond the scope of what is produced. Distribution is the intermediary element through which the products that have been produced are distributed to meet social needs. When consumer needs change suddenly due to war, it is necessary, in conjunction with changing the structure of production (which is reflected in putting the economy on a war time footing), to change the structure of distribution to suit the new needs that exist; generally speaking, however, it is not possible to

distribute more products than are produced (and imported through foreign aid). Under the conditions of commodity production, the distribution of the social product and national income takes the form of money. Although money is the manifestation of the value of a product, once value is manifested in money, it can exist independently of the product itself. Although value and use value are unified, they can exist independently of each other. Money manifests product value and creates needs that can be met while commodities manifest use value and create the ability to supply commodities. During a war and even after a war, in order to meet the pressing needs of combat, production and everyday life, the state must spend much more than it earns, that is, must distribute for consumption much more product value than can be mobilized from production (and aid). This is easily understood and is something that can be done when there is a surplus of money and, as a result, there is much more money than commodities.

Thus, the imbalance between production and consumption, between the ability to supply commodities and the consumer needs of society can only emerge in one form, namely, an imbalance between money and commodities, an imbalance between needs that can be met and the ability to supply commodities, which occurs when the distribution of the social product and national income in the form of money far exceeds production (and aid) capabilities. The basic cause underlying the imbalance between money and commodities is the failure of production to keep pace with needs. However, the direct cause of this imbalance lies within distribution, primarily within the fields of finance, credit, prices and wages. Difficulties and shortcomings in circulation have also worsened the imbalance between money and commodities. Therefore, making every effort to develop production in order to constantly increase the percentage of consumer needs that are met is the basic factor of decisive significance. However, when the degree of imbalance is large, merely accelerating production cannot restore this balance in a short period of time. Therefore, while making every effort to accelerate production, it is also necessary to readjust consumer needs.

Accelerating production not only encompasses producing many products, but also producing products in exact accordance with consumer needs, products that will truly be consumed. Only in this way is it possible to truly increase the volume of products supplied to society and increase national income. Producing products that are not consumed not only fails to accelerate production, but also results in waste and slows the rate of development of production.

Readjusting consumer needs primarily means making the most effective use possible of the social product and national income (including sources overseas) to successfully carry out the political and economic tasks set forth by the party during each period of time in a manner consistent with the level of development of production. The degree and mode of consumption are relative and of a specific historic nature. Each level of development of production has

a corresponding degree and mode of consumption. Therefore, readjusting consumer needs means, in substance, establishing a reasonable relationship among needs and developing the most effective modes of activity in order to complete each revolutionary task as best possible and be consistent with production capabilities.

Under our country's present conditions, in order to readjust consumer needs in order to create balance between production and consumption and balance between money and commodities, it is necessary to reorganize circulation and distribution, especially distribution. This is a practical and effective way to correct the present imbalance between money and commodities in a relatively short period of time. If done well, it will create moving forces and favorable conditions for accelerating the development of production and help to overcome many other imbalances.

When we talk about reorganizing circulation and distribution we are talking about bringing about strong changes in viewpoint, policies, measures and the organization of implementation in all fields of state finance, credit, prices, wages and commerce within the binding and mutual relationships they have with one another, within the cause and effect relationship they have with one another. In recent years, under the light of the resolution of the 4th Party Congress and the resolutions of the Party Central Committee, new changes have been occurring within the fields of circulation and distribution. A number of improvements regarding policies and the organization of implementation have yielded initial positive results. However, what must be emphasized is not only the need for a change within each field of circulation and distribution, but also the need for a well coordinated change in all fields in accordance with unified viewpoints, in the same direction and in a closely coordinated manner. In view of its separate function, each field can only participate in the effort to resolve a number of aspects of the problem that has been raised, provided that it has the coordination of related fields. If the change is not well coordinated, the implementation of the new policies and regulations, regardless of how correct they might be from the viewpoint of each field, will encounter many difficulties and be limited, and might even end in failure. This article only deals with a number of matters related to state finance in the effort to correct the imbalance between money and commodities and establish a new balance.

Balancing State Finances, One of the Decisive Prerequisites To Correcting the Present Imbalance Between Money and Commodities

To correct the imbalance between money and commodities and establish a new balance, it is necessary to simultaneously take steps in two areas: accelerating production and readjusting circulation and distribution. Within the field of finance, the requirement we face is balancing state finances, balancing the state budget.

Within our country's economy, state finances and bank credit are tools of distribution, are the two channels that regulate the volume of currency in circulation. A balance between finances and credit is a prerequisite to the balance between money and commodities, the balance between needs that can be met and the ability to supply commodities. Of course, this balance between finances and credit cannot be understood as an absolute balance. The laws of the circulation of currency permit us to increase the volume of currency in circulation in accordance with the degree of expansion of the circulation of commodities. Increasing the volume of money in circulation through one of the two channels of finances and credit or through both channels within the limits of the laws of the circulation of money does not create imbalance. Finances and credit can only be considered as lacking balance when the laws of the circulation of money have been violated, when finances and credit, when financial activities and credit put into circulation a larger volume of money than is needed for circulation, which is manifested in a serious and prolonged cash deficit and leads to imbalance between money and commodities.

Due to the war, finances were imbalanced for many years. Following the war, although we enjoyed more favorable conditions for balancing our finances, due to the serious aftereffects of the war, repeated serious natural disasters, betrayal by the Peking authorities and numerous shortcomings in management, production has continued to develop slowly, needs have continued to rise rapidly, we still have not been able to balance our finances and the budget is a deficit budget even though domestic sources of revenue have increased and much capital is still being received from foreign countries. Therefore, the imbalance between money and commodities that existed during the war years has not been reduced and has been increasing during the post-war years. To help to correct the imbalance between money and commodities and establish and strengthen a new balance, the pressing requirement facing state finance is to endeavor to balance finances and eventually achieve a surplus state budget. By mobilizing and utilizing roughly 30 percent of national income in production, which includes virtually all accumulated capital and social consumption capital, finances create very large needs that can be met. If finances are balanced along the lines of a surplus (credit must also be balanced) and coordinated with a number of other measures, we maintain that we can correct the imbalance between money and commodities within a few years.

The financial balance is first and basically a balanced state budget, one that reflects a balance between the volume of products mobilized by the state and the volume of products distributed by the state to meet necessary needs in order to complete the tasks established for each year and each period of time. Of course, when researching and resolving the problem of the financial balance, we cannot simply examine it from the aspect of value, but must examine the organic relationship between value and use value, between money and commodities. Budget expenditures create very large material needs. Each type expenditure

creates a different need for each type commodity. Even with a balanced budget, it still might be impossible to establish a money-commodity balance for each type commodity if the structure of budget expenditures is not consistent with the structure of commodities that can be supplied. However, if there is a balanced budget, the imbalance between supply and demand for each type commodity can be resolved through foreign trade, through the improvement of commerce activities and through the supply of materials. From the point of view of finances, the basic issue is balancing the budget.

The budget balance is not a negative balance, rather, it must be a positive balance. To begin with, it is a balance that must be established on the basis of meeting the requirements of the economic and political tasks for each year and each period as best possible. When an important percentage of budget revenues still take the form of foreign capital, a positive balance is one that is established on the basis of insuring that domestic sources of revenue meet each consumer need and provide for gradual accumulation and that foreign sources of capital, especially loans, are allocated for accumulation in order to increase the rate of construction of the material-technical bases of socialism and rapidly increase domestic sources of revenue. Therefore, a balanced budget is a matter of both political and economic significance. A balanced budget must be established on the basis of developing each potential and capability for the purpose of increasing revenues and, at the same time, increasing expenditures and making effective use of each source of capital to implement the economic and political tasks set forth by the 5th Plenum of the Party Central Committee: stabilizing and supporting the life of the people, strengthening the national defense and security systems, protecting the fatherland and building the material-technical bases of socialism in order to meet immediate requirements while preparing the conditions for development in future years.

On the basis of raising the matter in the manner mentioned above and on the basis of our actual situation at this time, we maintain that balancing finances must become a pressing requirement not only in the improvement of financial management, but also in the readjustment of circulation and distribution, in general.

On the basis of balancing our finances (and credit), we must make effective use of finances in coordination with the other tools of distribution, such as prices, wages and credit, to readjust consumer needs on the basis of the principle of insuring the completion of the most pressing tasks of the revolution in a manner consistent with the actual capabilities of the economy at this time. This is the way to take initiative in distribution, to take initiative and use distribution to establish balance between production and consumption, between the need for accumulated capital and consumer needs, between the economy and the national defense system and rebalance the income of the various strata of the people. Because consumption cannot exceed

production, if we do not take the initiative in distribution in order to maintain balance, an imbalance between money and commodities and all of this imbalance's negative effects upon production and everyday life will occur. If we take the initiative and use the tools of distribution to readjust distribution relationships and maintain a financial balance, we can, even though production is developing slowly due to the war and its aftereffects, balance production with consumption, balance money and commodities and correct an imbalance should one occur. The experience of our country and foreign countries has verified this.

During the period from 1946 to 1951, due to the failure to establish a financial balance, a serious imbalance between monies and commodities occurred, one that posed many difficulties to production, everyday life and the effort to meet the needs of the war of resistance. The Party Central Committee and government adopted an economic and financial reform program (1951), the center of which was circulation and distribution (finances, banking and commerce), with financial activities being considered the key. The fundamentals of the financial policy at that time were to increase revenues, reduce expenditures, establish unified management of revenues and expenditures and balance the budget.

On the basis of providing incentive for the acceleration of production and on the basis of production capabilities and the needs of the war of resistance, the state used taxes to mobilize contributions by the people in a uniform, fair and reasonable manner and unify the management of budget revenues. At the same time, the state instituted strict economy measures; it reduced the administrative staff in production in order to increase the forces in production and combat, established standards and norms and centralized the management of budget expenditures. The financial reform program of 1951 yielded good results. Budget revenues increased rapidly. Compared to 1951, revenues were more than three times higher in 1952 and more than five times higher in 1953. Expenditures on the frontlines constantly increased, equalling 59 percent of budget expenditures in 1951 and 72 percent in 1953, thereby meeting the very large needs of the war of resistance during the final years of the war; at the same time, expenditures were allocated for production and cultural and social activities. The budget deficit that routinely occurred during the first years of the war of resistance was corrected. Whereas, in 1950 budget revenues only equalled 23 percent of budget expenditures, in 1951 revenues equalled 78 percent of expenditures and a surplus budget was achieved in 1953. Thus, we were able to balance our finances even under war time conditions. As a result of balancing the budget in coordination with reforms in the fields of money and credit and the establishment and development of state-owned commerce, we virtually corrected the imbalance between money and commodities, laid a firm foundation for stabilizing the currency and prices and created favorable conditions for production and circulation while stabilizing everyday life.

The experience of the 1951 economic-financial reform program points out: if, in the face of tremendous difficulties, such as those that existed during the war of resistance against the French, we take the initiative in distribution and use the various tools of distribution to efficiently distribute the social product and national income in a manner consistent with the level of development of production and the requirements of our tasks, we are fully capable of maintaining balance between production and consumption, maintaining a money-commodity balance and maintaining a financial balance. If an imbalance does occur, we are also capable of correcting it. Of basic importance is that we must balance the budget. Therefore, a balanced budget must be considered a matter of financial policy and distribution policy, in general.

The same is shown by the experience of foreign countries, especially the USSR. An imbalance between money and commodities also occurred during the civil war and the great national defense war in the USSR. To correct this situation, numerous financial, monetary and credit measures were applied together with price and wage measures in order to readjust distribution relationships to be consistent with new conditions in order to balance consumption with production, establish a reasonable relationship between the accumulation of capital and consumption, establish a reasonable relationship among the incomes of the various strata of the people and endeavor to achieve a balanced budget. As a result, in 1922 (after the civil war) and even in 1944 (during the national defense war) there were balanced or surplus budgets, thereby making a decisive contribution to correcting the imbalance between money and commodities and stabilizing and developing the post-war economy.

In the present situation, a situation involving an imbalance between money and commodities and a deficit budget, we must place very high emphasis upon endeavoring to balance the budget. We must endeavor to increase the sources of budget revenues by accelerating production, redistributing national income and making fully economical and effective use of budget expenditures, determined to correct the budget deficit and achieve the most positively balanced budget possible. At present, we have very many capabilities in our favor for achieving this. The problem lies in adopting well coordinated and effective policies and measures for converting these capabilities into reality, converting potentials into budget revenues, into relative and absolute reductions in budget expenditures. We maintain that we can balance the budget on the basis of the following:

1. Making good use of available labor, supplies and equipment to accelerate production in order to increase budget revenues, with particular importance attached to the state-operated economy, the place that accumulates the most capital for the economy, the primary source of revenues of the state budget.
2. Readjust investments in capital construction in order to make effective and economical use of investment capital.

3. Make effective and economical use of expenditures on economic, cultural and social work.

4. Make effective use of the forces of the army participating in economic construction.

5. Improve circulation and distribution in order to reduce the amount of time needed to circulate commodities and efficiently distribute and redistribute national income in order to increase state revenues and guide and provide incentive for production.

Thus, balancing the budget has become the immediate target, the overall guideline of all levels and sectors in accelerating production, practicing economy and improving economic-financial organization and management. To balance the budget in accordance with this guideline, we must realize the need to focus our efforts on resolving the following principal problems well:

1. Insuring a supply of raw materials and spare parts for production and construction; the difficulty involved in making full use of labor, supplies and equipment at production installations at this time is that there is a shortage of raw materials and spare parts at the same time as a shortage of foreign currency and a backlog of supplies. The only guideline for resolving this problem is finding and building domestic supply sources, including making full use of discarded materials and rejected products in production and everyday life, utilizing backlogged supplies and increasing the importation of raw materials and spare parts.

Of course, making full use of discarded materials and rejected products and utilizing backlogged supplies must be considered of primary importance because they make full use of existing labor, raw materials and material-technical bases. However, in conjunction with making every effort to develop domestic sources of supplies, it is necessary to resolve in detail the problem of increasing the importation of raw materials and spare parts for production and construction, especially for products consumed domestically or exported which provide for a high amount of accumulated capital but for which there are no domestic sources of raw materials or insufficient domestic sources. In view of the shortage of foreign currency, this can be done by changing the ratio among imported equipment, spare parts, raw materials and domestic goods or by increasing the exportation of goods produced from additional imported raw materials or the exportation of other products.

More positive steps must be taken to resolve the problem of backlogged supplies. In conjunction with redistributing supplies among the various units within the sector and among the various sectors and localities, it is necessary to create favorable conditions for enterprises to utilize backlogged supplies in production or turn them over to other units. We might want to

consider re-exporting these supplies in order to acquire capital with which to import other necessary supplies.

2. Closely linking production with consumption to insure that production accurately meets needs and insure the rapid marketing of products: to accomplish this, the production plan must be closely linked to a marketing plan formulated on the basis of direct contracts between production units and marketing units. The formulation of plans from the installation upward must not only insure a balance of production factors in order to make full use of labor, supplies and equipment, but must also balance production with consumption. It is necessary to expand the authority and responsibility of the enterprise as regards determining which products to produce, not only subsidiary products "outside the plan," but also primary products. The enterprise must have the right to not produce products for which it does not have a specific marketing contract.

3. Endeavoring to reduce production costs and construction costs: at present, the production costs at practically all enterprises are high due to the failure to make full use of labor, the low level of equipment capacity in use, the high rate of consumption of raw and finished materials, etc. All that is necessary to markedly reduce production and construction costs and increase the accumulation of capital for the state is to make full use of work time in accordance with regulations, make full use of surplus labor and reduce the waste of raw and finished materials. Here, we wish to emphasize the ability to reduce production costs through the use of raw and finished materials. At present, the rate of consumption of raw and finished materials in production and construction is very high due to much waste in production and in transportation and storage (defective supplies, supplies of poor quality, losses, circuitous transportation and so forth). By reducing the waste of raw and finished materials in production and ending waste in storage and transportation, the consumption of raw and finished materials will markedly decline and, as a result, we will not only reduce production costs, but also reduce the tightness in supply operations and alleviate many other negative phenomena. Numerous investigative data shows that as much as 25 to 30 percent of raw and finished materials are wasted in capital construction. By ending this waste, we can reduce capital construction costs by roughly 10 percent and compensate for the budget deficit without affecting capital construction goals whatsoever. The pressing measure in reducing the cost of raw and finished materials within production costs is to intensify management: we must rearrange cost accounting and professional accounting procedures so that they accurately reflect the quantity, quality and value of the raw and finished materials used in each step of the transportation, storage and utilization processes, implement a strict system of material incentives and material responsibility, enforce the code of discipline and law within management and establish ceilings governing the use of raw and finished materials. Importance must be attached

to reducing the waste of raw and finished materials in production by making full use of discarded materials and rejected products, improving product designs, improving technical regulations and improving the technical skills of workers.

4. Investments in capital construction must be truly centralized and we must be determined to correct the practice of making decentralized investments over a long period of time as a result of which projects go uncompleted, much capital is invested but little capacity is put into use and construction costs rise. Under present conditions, we must restrict the number of new projects under construction and focus our investments on projects that are nearing completion, projects that will yield economic returns at an early date, returns such as providing more products for domestic needs and exportation, reducing the imbalance and increasing the accumulation of capital. Full importance must be attached to making investments in depth in order to increase production capacity on the basis of improving and perfecting production lines; we must be determined not to build projects when there are projects of the same type that are not being utilized at full capacity. We must conduct a state investigation to reassess all unfinished construction projects in all sectors and localities and re-establish the order of priority for investing in these projects; on this basis, we must revise the 1979 capital construction investment plan and prepare the investment plan for 1980 on the basis of the principle of insuring that production capacity is put into use and reducing the amount of investment capital needed. It is necessary to re-examine the way in which we calculate norms for the assignment of tasks and evaluate the completion of the investment plan. These norms must have the effect of encouraging the various sectors and levels to complete the largest possible volume of capital construction work and put projects into use as rapidly as possible and with the smallest amount of investment capital possible. The specific method for computing these norms must be researched for each specific case. The norm on the value of the projects put into use can be calculated at estimated cost. The norm on the allocation of capital construction money will become the norm for computing the balance of the plan and will be considered the maximum level of investment capital. The new investment norm must not only be applied to enterprises, but also to all sectors and levels, because the present decentralization of investments is due, to a large degree, to the failure to efficiently arrange investment plans and the failure to respect the investment procedures of the management agencies of the various sectors and level.

5. It is necessary to redetermine the size and network of economic, cultural and social organizations to insure the development of their work in a manner consistent with the actual and most pressing needs of production and life and the actual capabilities of the state. Attention must be given to maintaining coordinated support by these work units which are within the same network but under different management, determined to correct the practice of organizing

self-contained work networks within each sector and level. Each sector and level, however, can organize its own work units.

6. We must make effective use of the forces of the army participating in economic construction. The results of the economic construction work performed by the army must become accumulated capital, income or savings for the budget. Attention must be given to providing military personnel with occupational training during their term of service in coordination with military and economic construction training in order to create the conditions for them to become workers who possess certain technical or managerial skills once they leave the military. This will convert a portion of national defense expenditures into training expenditures; therefore, the plan for the training of technical cadres and workers must not only take into consideration the needs of the army, but also the personnel being trained within the army.

7. We must take positive steps to improve the purchasing, price, wage and social welfare policies in keeping with the spirit of the resolutions of the Party Central Committee, especially the various purchasing policies (including the purchasing price policy) by adjusting the sales prices of several consumer goods and the prices of instruments of production and gradually restricting the scope of goods sold through distribution sales; the wage policy must be improved and strengthened to be consistent with the price policy and reflect a reasonable relationship in terms of income among the various strata of the people; and the public welfare policy must be improved by limiting the welfare services for each citizen for which no money is paid. An examination of each policy might show that some of these improvements will pose difficulties to the establishment of a financial balance. However, viewed as a whole, these policies have the effect of creating large sources of accumulated capital and support the effort to balance the budget in a positive manner because they provide a moving force for making full use of existing labor, raw materials and material-technical bases, increase the sources of raw materials for production, increase the sources of export goods and facilitate purchases and sales in order to rapidly earn national income, readjust the income of the various strata of the people and limit the negative phenomena in economic and social life. Of course, these matters must be dealt with in a cautious manner on the basis of proposals that have been calculated in a scientific manner and are consistent with reality.

We maintain that if we resolve the principal problems mentioned above, we will create the conditions for establishing a financial balance and will be fully capable of establishing a balance of budget expenditures and revenues along the lines of eventually achieving a surplus budget and accumulating capital within the country because practically all of these matters have the objective of developing the capability for balancing our finances in breadth.

If we develop in-depth capabilities, by raising labor productivity and economizing on materials on the basis of bringing technology up to date and building an optimum economic structure, the state financial situation will be greatly improved.

To achieve good coordination in the effort to resolve the economic matters mentioned above, financial activities must undergo major changes with regard to viewpoints, policies and the mode of management in order to convert the capabilities for achieving a financial balance into reality. On the basis of maintaining that the sources of our present financial difficulties are the failure to make full use of existing labor, supplies and equipment, the low returns from capital, the failure of management to fully comply with the principle of democratic centralism and heavy emphasis upon one echelon of management overlapping another with light emphasis upon economic returns, the guidelines for improving financial activities must be designed to stimulate and create favorable conditions for enterprises, sectors and levels to display their initiative and creativity in order to expand production on the basis of making full use of existing labor, raw materials, supplies and equipment, utilizing capital in a manner that yields high returns and emphasizing centralized, unified management throughout the country and within each sector and level. We must bring about a strong shift from the mode of management of one echelon overlapping the one below it to the mode of management based on cost accounting.

We understand the mode of financial management based on the system of cost accounting as the mode in which the enterprises, sectors and levels have broad rights with regard to the use of capital, provided that they meet certain norms governing the returns from this capital. Here, financial responsibility and authority, financial obligations and rights are emphasized and closely linked. In keeping with this guideline, we suggest that efforts be focused on resolving the following primary problems:

1. We must improve the procedures for allocating capital for capital construction. The finance agencies must coordinate with the various sectors and levels to formulate and stabilize the capital construction investment plan at the very start of the year under the guidelines of arranging investments in a truly centralized manner, respecting capital construction priorities and respecting estimated prices formulated on a scientific basis and in a manner consistent with actual construction conditions. The financial regulations of construction and assembly enterprises must be improved so that capital is allocated on the basis of the volume of projects put into use. The implementation of investment plans must be evaluated primarily on the basis of the value of the projects put into use. We must centralize the management and allocation of each source of investment capital of the budget, credit, and the internal capital of the construction bank in order to unify the management of each source of investment capital on the basis of the allocation plan of the

state and the loan plan of the State Bank, thereby laying the basis for efficiently organizing the financial relationships among related units in capital construction. This is also a way to make efficient and economical use of the apparatus of the construction bank in the allocation of capital and the granting of loans for capital construction.

2. We must improve the system under which operating funds are allocated for economic, cultural and social work. Work units that have the conditions needed to implement the cost accounting system must be converted into enterprises operating on the basis of cost accounting. As regards other units, operating funds must be allocated on the basis of quotas and we must gradually perfect this system of allocation in the spirit of closely linking the amount of funds allocated to the results of the work of these units on the basis of broadening the financial authority of work units and the management sector.

3. We must apply the principles of management of the cost accounting system to the forces of the army participating in economic construction.

4. We must improve and perfect the system for the distribution of accumulated capital within the state-operated economy in order to promptly centralize the sources of accumulated capital within the budget and truly have the effect of providing incentive for enterprises, manual workers and office workers, thereby truly linking the interests of the state with the interests of the enterprise and each worker. The system of state-operated revenues must be expanded to all state operated enterprises. Through state-operated revenues, the state mobilizes an important percentage of the accumulated capital within state-operated enterprises on the basis of insuring each enterprise of a reasonable profit level. State-operated revenues must be considered the minimum financial obligation of the enterprise to the state, the minimum economic result of each product and each economic activity that earns state-operated revenues. We must strictly implement the system of profit distribution and continue to perfect this system. We must research new forms of revenue that have the effect of encouraging the full use of existing labor, supplies and equipment.

5. We must improve and unify the tax regulations governing the collective economic sector and individuals in order to redistribute income among the various strata of the people, provide incentive for and guide production and circulation and reclaim cash. It must be emphasized that, at present, appropriate attention is not being given to the matter of taxes and tax regulations have been improved slowly, consequently, their effect upon production and circulation and their role in the redistribution of national income are limited.

6. We must perfect the assignment of financial management responsibilities to the locality and formulate district budgets so that the various levels of

local government can truly be the masters of their finances and take the initiative in formulating and developing the local economy and caring for the life of the people. Assigning financial management responsibilities is, in substance, an organizational and managerial measure designed to heighten the responsibility and authority, heighten the obligation and rights of the various levels of government in organizing and managing finances within each locality; encourage the various levels of government to give their attention to economic returns, to balancing capabilities and needs when arranging the economic construction and cultural development plans, especially the plans for investing in the construction of material-technical bases within the locality and the plans for the development of the economy, culture and society; and encourage them to find and develop sources of accumulated capital within the existing labor, arable land, raw materials and material-technical bases within the locality and achieve a financial balance within each district, province and municipality, thereby helping to achieve a nationwide financial balance.

We maintain that by improving economic-financial management in all fields, from production to circulation and distribution, and especially by readjusting circulation and distribution with a view toward readjusting consumer needs, achieving a reasonable redistribution of national income and utilizing the positive role of circulation and distribution in production, we are fully capable of achieving a positive financial balance and gradually correcting the present imbalance between money and commodities. This article has only presented general matters in the nature of guidelines. However, from an overall point of view and in view of our country's present conditions, the fundamental prerequisite to establishing a financial balance must be considered establishing a balance between money and commodities. To achieve a financial balance, there must be strong changes in production in order to truly create additional accumulated capital, in circulation in order to rapidly accumulate capital and in the various fields of distribution (finances, credit, prices, wages and social welfare) in order to reasonably distribute accumulated capital. If we do not examine and resolve these matters within their close cause and effect relationship, we cannot achieve the desired objective.

At present, a war of aggression is being waged against our country by Peking expansionism and hegemony. The matter of achieving a financial balance, achieving a balance between money and commodities has become more complex. This matter must be researched and resolved at an early date.

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CSO: 4209

ECONOMIC PLANNING, TRADE AND FINANCE

NEW REGULATIONS PROMULGATED TO STIMULATE PRODUCTION

Hanoi NHAN DAN in Vietnamese 8 Aug 79 p 1

[Editorial: "Correct Policies Result in Plentiful Products"]

[Text] To meet the people's increasingly greater need for consumer goods, the correct course is to increase production by utilizing as well as possible the latent and existing capabilities. But many capabilities regarding labor, equipment, local raw materials, industrial byproducts and waste products, and secondary agricultural, forestry, and fishing products have not been fully utilized. The reason for that situation is that many old regulations which restrict and hold back production have not been amended. Policies to stimulate production either do not exist or are not clear, and production organization has been fragmented. The responsibilities and authority regarding the production and marketing of secondary products are not specific. The collective mastership role of workers in production has not been fully developed. Production guidance is not centralized, nimble, and flexible.

In order to overcome those weaknesses and deficiencies, and stimulate the development of production, the Council of Ministers recently promulgated a number of policies to encourage the production and circulation of products which the state does not manage or for which it does not supply materials, or which are made of local or recycled raw materials. The policies affirm that the products the management of which is unified by the state are important products which are essential for social production and the lives of the people, the principal export products, and the products which play an important role in generating budgetary income. Those products are produced and marketed in accordance with a unified state plan. Furthermore, the state encourages all state, collective, and individual bases to fully utilize all latent and existing capabilities to produce and market such products.

That encouragement is manifested in a series of specific stipulations: with regard to products not managed by the state or for which the state does not supply materials, the basic economic units are permitted to establish direct relations, and sign contracts, with one another in order to step-up production and circulation; the enterprises are permitted to organize

departments or secondary production elements to fully utilize excess production capacity, recycled raw materials, and local raw materials to produce products in addition to those assigned by the state; and the state enterprises which must cease production for a long period of time because they are not supplied materials are permitted to organize the exploitation and requisition-purchasing of raw materials not managed by the state in order to produce products which are not normally produced by the enterprise. The state and collective economic bases, as well as the private producers, are permitted to deal directly with the bases which have waste materials and waste products that are not managed by the state, and to purchase secondary agricultural, forestry, and fishing products and the other local raw materials for which the state has no requisition-purchasing plans. Those bases are also allowed to circulate as they see fit the products they produce from such raw materials, and are permitted to make direct retail sales to the marketing organizations or to sell directly to the consumers, in the event that the state commercial sector and the marketing cooperatives do not market them or move them slowly. The prices of raw materials not managed by the state are negotiated by the purchaser and the seller. The organization of commercial registration, the lending of capital, the use of cash, and the collecting of commercial fees and taxes are regulated liberally, with ample concern for the interests of the producers.

With regard to all bases and all producers, the newly promulgated policies create good conditions for expanding production and commerce, to benefit society, the unit, and themselves. Those policies, along with the other economic policies that have been or are about to be promulgated, manifest the great efforts of our state to transform the economy and contribute to stabilizing the living conditions of the people. The results of the implementation of those policies must be manifested in both aspects: creating a broad movement to produce products which are not managed by the state or for which the state does not supply materials and promoting the fulfillment of plans to produce and market the products covered by legal norms, and developing the initiative and creativity, and encouraging the enthusiasm to produce, of the bases, while also assuring the effectiveness of management and preventing or overcoming all negative phenomena that may occur.

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CSO: 4209

AGRICULTURE

STATUS OF COOPERATIVIZATION IN THE SOUTH OUTLINED

Hanoi NONG NGHIEP in Vietnamese 5 Jul 79 pp 5, 7

[Article by Nguyen Xuan Truong, Vice Minister of Agriculture: "1979, the Year of the Agricultural Cooperativization Movement in the South"]

[Text] Under the leadership of the party and state, the agricultural cooperativization movement in the South is being smoothly carried out under two forms: production collectives and agricultural cooperatives.

As of 31 May 1979, the South had 1,442 agricultural cooperatives, 13,492 production collectives and 97 agricultural machine collectives. In Trung Bo, the cooperativization movement has been expanded with each passing day and the production collective movement has been reduced in scope with each passing day because production collectives are being strongly upgraded to cooperatives. Of the 1,442 cooperatives throughout the South, Trung Bo has 1,193. However, the primary forms of cooperativization here are cooperatives in the lowlands and production collectives in the mountains.

The provinces that have widespread cooperative movements are: Binh Tri Thien with 231 cooperatives encompassing 86.5 percent of the population and 77.5 percent of the province's land; Quang Nam-Da Nang with 186 cooperatives encompassing 70 percent of the population and 52.1 percent of the province's land; Nghia Binh with 246 cooperatives encompassing 57.8 percent of the population and 59.6 percent of the province's land; Phu Khanh with 189 cooperatives encompassing more than 80 percent of the population and more than 70 percent of the province's land; Thuan Hai with 183 cooperatives encompassing nearly 50 percent of the population and more than 50 percent of the province's land, etc. Of the 40 districts and towns in the lowlands of the five coastal provinces in Trung Bo, 23 districts have virtually completed the establishment of cooperatives.

In Nam Bo, the production collective movement has been constantly expanded and pilot project cooperatives have been established in several provinces and

districts. Of the 13,492 production collectives throughout the South, Nam Bo has 9,837. These collectives operate like small cooperatives under the guidance of the various area collective management committees or under the guidance of the hamlet production committees, which are similar to the area collective management committees.

The provinces that have widespread production collective movements are: Cu u Long with 3,528 collectives encompassing 71.2 percent of the population and 66 percent of the province's land, Kien Giang with 1,186 collectives encompassing 27 percent of the population and 25 percent of the province's land; Hau Giang with 1,082 collectives encompassing 47,031 households and 46,252 hectares of land; Dong Nai with 918 collectives encompassing 25.2 percent of the population and 31.5 percent of the province's land; Ho Chi Minh City with 868 collectives encompassing 55.7 percent of the population and 42.6 percent of the city's land, etc. A number of districts, such as Vung Liem and Chau Thanh Districts in Cu u Long Province and Tan Hiep District in Kien Giang Province, have virtually completed the establishment of production collectives.

Nam Bo has 249 cooperatives and is led by Song Be Province which has 152 cooperatives followed by Tien Giang Province with 53 cooperatives. The cooperatives and production collectives have begun to show the superior nature of collective production and marked progress has been made in production. Collective production is superior to private production; the amount of area under the cultivation of grain, grain yields and grain output have increased as a result of increasing the amount of area under cultivation by clearing land and practicing multicropping and as a result of the introduction of technological advances in production, especially the construction of water conservancy projects, the introduction of new varieties and the accelerated use of fertilizer.

However, all newly established cooperatives and production collectives are still confused about how to manage themselves. Material-technical bases are still underdeveloped. Management cadres have not been challenged much in practical work nor have they received systematic training. The right of collective ownership of the mass of cooperative members is not being fully upheld in production or in management.

By making every effort to rectify their shortcomings and develop upon their strongpoints, the cooperatives and production collectives will surely overcome their difficulties, accelerate production, support the everyday lives of cooperative members, fulfill their obligations to the state, increase the accumulation of capital for the collective, create a new feeling of confidence and gain the participation of the mass of farmers in advancing the agricultural cooperativization movement this year.

The resolution adopted by the 5th Plenum of the 4th Party Central Committee on the economic task for 1979 stated:

"In the South, we must endeavor to virtually complete the socialist transformation of agriculture by 1980 and closely link it with the re-organization of production and the development of production.

There must be strict adherence to the directive of the Political Bureau on abolishing the remnants of feudal exploitation and the various forms of capitalist exploitation within the countryside, accelerating agricultural cooperativization and rapidly and steadily developing production collectives and cooperatives."

In keeping with this resolution, the Agricultural Transformation Committee of the South adopted the position of launching an agricultural cooperativization movement throughout the South in 1979. In Nam Bo, a production collective movement was launched, beginning with the conference held to conduct a preliminary review of production collectives in Cuu Long from 5 to 9 April 1979. In Trung Bo, an agricultural cooperative movement was launched. The provinces of Trung Bo conducted a preliminary review of the cooperative movement in 1978 in order to launch another cooperative movement in 1979. Today, this movement is spreading through the provinces of Trung Bo, especially along the seacoast. The conference to conduct a preliminary review of the cooperatives of Trung Bo which will be held by the Agricultural Transformation Committee of the South in Nha Trang from 15 to 20 June 1979 will further stimulate the steady advance of this movement.

What Have the Provinces of the South Done and What Are They Doing To Advance the Agricultural Cooperativization Movement?

As regards the production collective movement, the provinces of Nam Bo have been or are doing the following:

1. They have implemented the results of the Cuu Long conference and, on this basis, more correctly evaluated the agricultural cooperative movement of their localities and deeply analyzed this movement in order to take steps to resolve the problems that exist within it.

The provinces that have rather good movements, such as Cuu Long, have, instead of standing still, further developed upon the achievements they have recorded in strengthening and developing the movement to a higher level of quality. As regards the production collectives, their production has been accelerated, their management has been improved, they have been built up and strengthened and their activities have truly been based on the management committee. Those places that have not completed the agricultural cooperativization movement have taken positive steps to establish production collectives and have then immediately begin producing, without missing one production season.

Those provinces that have underdeveloped movements have not only objectively evaluated the movement, but also reviewed the responsibility of each level and sector, even reviewed the thinking of each cadre and party member regarding the agricultural cooperativization movement and become resolved to accelerate the agricultural cooperativization movement by means of specific, positive measures. Minh Hai was a province that was carrying out the agricultural cooperativization movement slowly; however, it underwent a strong change following the Cuu Long conference and increased the number of production collectives within the province from 14 to 738.

2. They are planning cooperatives and closely linking economic development planning with agricultural cooperativization planning because, without properly oriented economic development planning, it is difficult to plan agricultural cooperatives in a manner consistent with production. The size and number of production collectives, which will later become the basic production units of the cooperative, must be established on the basis of the planning of cooperatives measuring 300 to 500 hectares. And, on the basis of the planning of cooperatives, new villages measuring 1,000, 2,000 or 3,000 hectares in size must be established, villages that will become village-size cooperatives in the future. Some places have rearranged their hamlets to coincide with a 300-500 hectare cooperative; Long An Province has done this in Ben Thu District.

Provinces such as Bien Giang, Cuu Long and so forth are holding planning cadre training classes for their districts and villages in order to carry out cooperative planning. Cooperative planning has become a pressing requirement of the agricultural cooperativization movement. Without this planning, there can be no guidelines for establishing collectives and cooperatives.

3. They are accelerating the establishment of collectives of large tractors (26 horsepower or more) and must complete this effort by August 1979 in order to abolish the exploitation that accompanies the tractor rental business, more competently support production and create favorable conditions for the completion of the establishment of production collectives and the collectivization of small machines, buffalo and cattle within production collectives and cooperatives. At present, there are 97 tractor collectives; planning calls for the establishment of 303 more to make a total of 400, which will be located in those districts that have many large tractors.

4. They are focusing their efforts on leading the agricultural cooperativization movement in a manner closely linked to agricultural production, considering this to be the center of their routine work, to be a springboard for stimulating all areas of work and the activities of the various sectors.

The provinces have intensified their leadership of the agricultural cooperativization movement by sending provincial and district cadres to

installations to establish pilot project production collectives and cooperatives; lacking cadres to go to installations, they have assigned installation cadres the job of establishing pilot project collectives and cooperatives within a specific period of time. Before going to installations, these cadres receive 12 to 15 days of training in how to establish collectives and are then divided into individual work teams, each of which goes to one village to establish a collective. Hau Giang has mobilized more than 2,000 cadres from the hamlet level upward to establish collectives, thereby insuring that 2,400 collectives will be established by the end of 1979. Long An has prepared approximately 200 provincial cadres to go to districts and roughly 50 district cadres to go to the basic level to build collectives, traveling from one cluster of installations to the next within the district.

All provinces that have become determined to accelerate the cooperativization movement have sent party committee members, especially each district party committee member, to serve as work team chiefs in a village in order to build a collective within the village.

Under the guidance of the Agricultural Transformation Committee of the South, the establishment of collective at this time will be systematically carried out within each area in a manner closely linked to the establishment of management committees for these new collectives.

The provinces of Trung Bo have done the following with regard to the cooperative movement:

1. They conducted individual campaigns to establish pilot project cooperatives and, once many campaigns had been completed, conducted a final review of the pilot project cooperatives and gained experience in order to widen the movement. In late 1978, the provinces of Trung Bo conducted a preliminary review of the cooperative movement and launched the cooperative movement for 1979.

These preliminary and final reviews have had a very good impact upon the effort to expand the cooperative movement in a more rapid and steady manner. For example, Quang Nam-Da Nang Province conducted a review of seven pilot projects in order to expand the movement to 107 cooperatives; it then conducted a preliminary review of its 114 cooperatives (seven pilot project cooperatives and 107 new cooperatives) in order to advance the cooperative movement and insure the establishment of the 235 cooperatives called for under the plan; to date, 186 cooperatives have been established.

2. In conjunction with establishing pilot project cooperatives and conducting preliminary and final reviews of the movement, the provinces of Trung Bo have taken positive steps to train cadres for the agricultural cooperativization movement and have coordinated cadre training planning with the planning of the establishment of cooperatives. Sufficient cadres of

various types are trained for the cooperatives to be established during each campaign. The province trains the cooperative heads, the assistant cooperative heads and the assistant heads of the various departments of the cooperative. The districts train the unit chiefs, the assistant unit chiefs, the unit secretaries and the unit accountants.

There is a division of echelons in the training of cadres between the province and the districts and a division of labor in the training of cadres among the various sectors of the province (the agriculture service, the finance service, the planning committee, the branch statistics office, the agricultural transformation committee, etc.).

In the recent past, the provinces have trained for the cooperative movement from 20,000 to 30,000 cadres. In addition, they have held short-term professional training conferences when necessary as Nghia Binh Province has done.

3. They have constructed necessary material-technical bases for cooperatives, such as fields and water conservancy projects, have repaired machinery and tools, constructed drying yards and granaries and, in particular, have closely linked cooperativization with the construction of water conservancy projects and mechanization in a positive manner. For example, places in Quang Nam-Da Nang Province that did not have water conservancy projects constructed these projects before building cooperatives and, once cooperatives were established, continued to build water conservancy projects on a larger scale. Therefore, as soon as cooperatives have been established, they have been able to go into production; generally speaking, they have expanded the amount of area under cultivation, achieved high yields and output and strengthened the confidence of cooperative members in their cooperatives.

4. The various party committee echelons have concerned themselves with leading the agricultural cooperativization movement from its very beginning, consequently, they have gained the direct participation of the various levels and sectors in the agricultural cooperativization movement or their competent support of this movement.

Provincial party committee members and, in particular, district party committee members have been sent to installations to guide the agricultural cooperativization movement. The leadership work of the various party committee echelons has reflected close contact with installations and closely coordinated the guidance of pilot projects with overall guidance, consequently, the agricultural cooperativization movement has made rapid, steady progress.

With the spirit of the agricultural cooperativization movement that has emerged in Trung Bo and Nam Bo in the form of cooperatives and collectives, we will surely successfully implement the resolution of the 4th Congress of the Party and the resolution of the 5th Plenum of the Party Central Committee.

AGRICULTURE

PROGRESS OF NEW COOPERATIVES IN CENTRAL VIETNAM ASSESSED

Hanoi NHAN DAN in Vietnamese 31 Jul, 3 & 4 Aug 79

[Article by Phan Quang: "Movement To Establish Agricultural Cooperatives in Central Vietnam -- The New and the Difficult -- The Experience of Nghia Binh"]

[31 Jul 79, p 2]

[Text] The countryside of Central Vietnam is undergoing great changes. Many things new have been appearing. From the coastal hamlets surrounded by green bamboos and coconut trees to the villages in reddish-soil Tay Nguyen, an observer may recognize so many new sights on every road he travels. There are new things that catch everybody's eye right away and there are new things that seem deeper -- the more one thinks about them, the more one finds their meaning and scope. More obvious is life that has returned to the population centers "sold out" by the Americans and puppets in the past. The green color of vegetation has erased the marks of war, at least on the outside. Roads have been repaired; rice and subsidiary food crops now grow in the fields where bomb craters had left pockmarks in the past. In the forests which had been defoliated or had gone dead because of American toxic chemicals, a few economic zones have appeared. More attractive are the newly-built houses, with whitewashed walls and red-tiled roofs proudly lying in the sun. After only 4 years of peace, in spite of all kinds of shortages, the rate of rebuilding the countryside can be considered fast.

The people's houses, anyway, are familiar sights. If we observe more closely, we will find some completely new things in the old countryside. These are large tiled yards for drying purposes, rows of storehouses, cement-coated tanks for immersion of seeds, shops for forging and carpentry, machine shops, etc. These are the "central areas" of the newly-established cooperatives, where there always are people coming and going, where all members of the village community are attracted to and where farmers leave their hope, and their worries and thoughts as well. Through this new thing, history has recorded an extremely deep change, a turning point in the life of the newly-liberated countryside: the job of bringing farmers into two forms of cooperative and production collective, mainly into the cooperatives, has been basically completed. Certainly, with time, the days of today will become the markers of history.

As of the end of the 1979 spring rice crop, in the 5 coastal provinces of Central Vietnam from Binh Tri Thien to Thuan Hai, 1,070 cooperatives have been established and consist of over 70 percent of all of the farmers' families. Binh Tri Thien has the highest percentage. Thuan Hai is a little bit behind, but it has succeeded in getting more than 55 percent of farmers to take the road to cooperative production. If both cooperatives and production collectives -- a form of small cooperatives incapable of achieving division of labor by themselves -- are included, by now 70-90 percent of farmers' families have participated. Out of more than 1,000 cooperatives, 17 have gone through 5-6 production seasons and collective distributions; 90 3-4 seasons; and more than 430 2 seasons. The experimental stations of these provinces have all displayed the effects they have on providing experience in leadership and pushing the common movement; in other words, every province has its own banner and progressive model cooperative. Binh Tri Thien has Dong Vinh Cooperative; Quang Nam-Da Nang has Duy Phuoc Cooperative; Nghia Binh has Phuoc Thang 1 Cooperative; Phu Khanh has Hoa Binh 1 Cooperative; and Thuan Hai has Me Pu Cooperative. All cooperatives are stable and are being further consolidated. They are encountering difficulties in some localities or have weaknesses of many kinds in others, but none has been dissolved.

Ever since each province established a few cooperatives on an experimental basis and within 2-3 years has basically completed the task of bringing farmers into cooperatives and production collectives, it is obvious that the movement has developed itself very quickly and truly deserves being a mass movement. Time is a rock that tests the gold. As most cooperatives have worked only one crop season, it is still too early to have a full evaluation. However, through the experience of the ones that have gone through 3-4 seasons or more, in comparison with the requirements, as a principle, of the socialist transformation, there have been good reasons for this initial observation: the movement to establish cooperatives has developed in a wholesome and relatively steady manner.

An outstanding characteristic of the cooperatives that have just been established in Trung Bo is their appropriately large size. In average, depending on the province, their size ranges from 310 to 390 hectares. This is a very new thing. Unlike in North Vietnam at the time the task of bringing farmers into collective production was basically completed, a cooperative with a few tens of families was incapable of creating a new productive force, the moderately large size of the cooperatives in Central Vietnam today allows right from the beginning a division of labor in every unit. These cooperatives do not solely grow crops but begin to organize animal husbandry and to develop various occupations, and particularly are in a position to put aside part of their labor force to build their own material and technical base and to contribute to the common work in the district or province. In North Vietnam in the past, since the cooperatives were too small, they had to gradually merge into larger units. And every time the organizational scope was changed, the production and business guidelines had to be reviewed and adjustments had to be made for the material base, arrangement of labor and assignment of cadres -- all of this would create a state of instability. The newly-established cooperatives were scattered like seeds being spread in a vast

field of people working on an individual basis. Even after a cooperative had reached an appropriate size, it still remained a closed organization that lacked alliance and association with other cooperatives as members of a common installation on the district plane. The cooperatives in Central Vietnam today are organized under the conditions of the provincial and district plans being already defined; although little work has been done and it is not yet done steadily, the districts have begun to build some material bases in order to aid and operate the cooperatives. To put it differently, the movement to establish cooperatives has skipped the prolonged stage of simple collaboration and has come right to that of collaboration with division of labor, which helps create a new situation in division of labor and organization of collective production. This is a rational step that has resulted from the experience of nearly 20 years of the movement to establish agricultural cooperatives in North Vietnam.

Production in the cooperatives has begun to develop. On the basis of a common plan, all cooperatives have steadfastly engaged in intensive cultivation, multicropping and water conservancy work; have used new rice varieties; or are extending the cultivated areas. The incomes of both the cooperatives and their members have increased. After their obligation has been fulfilled and part of the paddy has been given to the collective to use as capital for expansion of production, the paddy put aside for members' consumption is about 18 kilograms and more per month, in some cooperatives as much as 24-25 kilograms. While the per capita area is under 800 square meters, this level of consumption can be considered satisfactory. Income from a working day is 2 dong, in some cooperatives 3-4 dong, or at least 1.5 dong (calculations are based on prices set by the state). About 60 percent of cooperative members now have higher income than when they still worked on an individual basis; 30 percent have the same or slightly higher income; 5-10 percent, mostly the families having more land but few people, have less income now.

Thanks to the efforts to train cadres and to learn from progressive experiences, the cooperatives' management generally satisfies all of the basic needs, although the degree of fulfillment of these needs varies. More than 95 percent of farmers, draft animals, land and the major means of production have been collectivized. Labor is organized and used jointly and gradually becomes specialized; the main concern is about taking care of production now and the rest is about building a long-term foundation. Accounting is done exactly the way the procedures require. The cooperative members' ownership right is reflected in productive labor, distribution, election of management organs and control of common work. Wherever the job has been truly good, the party base, administration and mass organizations have clearly become very strong.

The movement to establish agricultural cooperatives in the provinces of Central Vietnam has basically satisfied the needs that the Central Committee has proposed. Naturally, since time was short, the movement developed quickly and the political base and organization were unstable, it has been impossible to avoid weaknesses and poor performance in some cooperatives. According to

an initial evaluation, beside the outstanding and good cooperatives, which account for about one-half, about 20 percent of the cooperatives are weak and poor. Although farmers have taken the road to collective production, the degree of voluntary action is not the same. In the localities where the mass movement has always remained weak, beside those who really volunteered, quite a few just went along with the majority or after they joined the cooperatives have not yet seen the good and the bad. The concept of collective ownership of these cooperative members remains vague, of course.

What are the weak aspects and difficulties that now prevail? As we had an opportunity to ask many leading cadres of those cooperatives, districts and provinces which still encountered many difficulties, and also the leading cadres of the outstanding ones, their firm answers have all pointed to management. Indeed, to organize millions of farmers to join the new method of production has been a very great achievement and effort, but to operate effectively this young collective production would require a higher degree of struggle and more sustained efforts. Recently, before widening the movement, the localities all paid attention to training cadres. The 5 coastal provinces in Central Vietnam provided guidance to nearly 115,000 management cadres of all kinds. Cooperative cadres had 3-4 months of training; production unit leaders 10-30 days. However, there are many limits: of all cooperative directors and deputy directors, about 50 percent are party members or cadres who had taken part in the resistance; 60 percent have only level-I cultural background; and up to 20 percent have not had any formal training. Although the district machinery has been strengthened, it remains thin and lacks experience in operations.

Whether the management of the collective production now being formed is good or not is the factor that determines the degree of development and consolidation of the movement. It is also the condition that guarantees the stability of the cooperatives and heightens the voluntary action of farmers. In reality, sometimes the ownership right of collective members is not respected just because the managerial capabilities of cadres are limited. Because of a lack of knowledge and poor capabilities, they have recourse to giving orders instead of persuading, organizing and supervising; instead of relying on the masses to learn the way to do things, they impose their poor judgment and force everybody to carry it out. That is the reason why poor capabilities and the lack of democracy in production and distribution often go hand in hand.

When it comes to reviewing and evaluating the movement, many localities have a correct vision. The movement to establish cooperatives both scores achievements and is being developed. There is nothing surprising if we have next to the great achievements aspects that we are not satisfied with. The major question at this moment is not to keep mentioning about difficulties, to complain about poor management, to point to shortages of materials or to recount stories about the masses failing to have truly voluntary action. To continue to train cadres, to learn from the experience of good models, to fully master managerial work and to rely on the progressive cooperative members to make the movement progress is the only way and the correct way to overcome difficulties and to correct the weaknesses of the movement.

[3 Aug 79, p 2]

[Text] Experience of Nghia Binh

For the last few years, Nghia Binh Province was known as a locality having a steadily developed economy and improved standard of living. Market prices had not fluctuated much. Every social activity pointed to a stability being on the rise. Travelers going north or south were satisfied when they stopped in Nghia Binh Province because it was easy for them to get grain and food and prices were reasonable. The roads that had been damaged during the war were repaired; the temporary bridges on Route 1 are being turned into strong and lasting structures. The green color has returned to villages and the fields; the sights become more pleasant to look at as more and more new houses have sprung up. The two norms that aroused the hottest debate at the first congress of delegates of the provincial party organization -- grain and housing -- have been achieved with encouraging results. The movement to establish agricultural cooperatives has been progressing steadily. By now 70 percent of farmers' families in the province have joined the cooperatives and production collectives.

An outstanding characteristic of Nghia Binh is the fact that the socialist transformation in regard to agriculture has been smoothly extended along with the restoration and development of production and improvement of the standard of living. To unite in solidarity is the strength that helps man to overcome difficulties and to conquer poverty and backwardness. But difficulties and poverty themselves are not the decisive factor that brings farmers into collective production. It is through the process of developing production and gradually improving the standard of living that farmers are more and more attached to and have confidence in the economic policy and leadership of the party and gradually practice the cooperative working method. The production development process provides the time necessary to combine all of the works that prepare for the mass movement to establish cooperatives; drafting provincial and district economic development projects; resolving the farmland problem by wiping out the remnants of feudal exploitation and by making adjustments within the ranks of farmers; discovering good people through the mass movement and training them to become leading and management cadres; doing things on a trial basis in order to get experience in formulating policies, ways to implement them, etc. Nghia Binh's stepping can be said to be quite steady. Nghia Binh's experience greatly deserves studying.

Like Tri Thien, Quang Nam-Da Nang and many other localities in South Vietnam, the two former provinces of Quang Ngai and Binh Dinh had been seriously destroyed in the war. The day people welcomed the return of peace and celebrated independence and freedom was also the day they had to engage in resolving many difficult problems.

In the past, this land had been known for its industriousness and fondness of military matters, but it was never a rich locality. A population of 1.9 million people, but only 170,000 hectares of cultivated land. The war

turned one-fourth of the farmland into wasteland and hamlets into desolate places. Except for the villages and hamlets on both sides of Route 1 running through the entire length of the province, about 4-5 kilometers on each side, that still had people sticking to their ricefields and gardens, in most other areas the enemy had forced the people away -- 600,000 people, or one-third of the population, had to leave their native villages. The quantities left behind by the old regime at the time of liberation were just enough to feed the cadres and nonagricultural population for a month. The well-known Binh Dinh coconuts were also destroyed, with less than one-third or one-fourth remaining.

The new administration promptly began to bring the people back to their native villages to rebuild their homes, to restore idle or fallow land, to build and repair dikes, to plant coconut trees, manioc, etc. Many localities did have a mass movement. Consequently, at the first congress of delegates of the party organization in the newly-merged province, Nghia Binh had a good reason to propose a few considerably high goals: to step up grain production to have enough for its own consumption and for contributions to the common need; to create favorable conditions for helping the people to rebuild their houses, with about 50 percent being houses with tiled roofs (or with roofs covered with corrugated iron and brick walls); and at the same time, to establish cooperatives on a trial basis.

This summer, as it was preparing for the second congress of delegates, Nghia Binh looked back and felt encouraged by the fact that it has obtained results it should be happy about. The volume of grain production increased by 29 percent over the 1976 figure. The average per capita figure was about 290 kilograms of grain. In the last 2 years, it delivered and sold to the state 30,000 tons of paddy; the value of industrial and handicraft production also increased by 25 percent. The sight of desolate villages and hamlets was erased. The people generally had their own homes. The areas that had been seriously destroyed in the war had about 20-30 percent of their houses with tiled roofs; the areas that had sustained little damage, about 70-80 percent. For the entire province, the houses with tiled roofs accounted for an average of 44 percent. Progress was obtained in all other aspects of life. Starting with just one cooperative that was established on a trial basis at the end of 1976 in Phuoc Thang Village, which later became a banner cooperative, the province has by now established 260 cooperatives of average size of 370 hectares and more than 290 production collectives. Although they are new, many cooperatives have already proved their superiority over the individual production method.

As it was pointed out earlier, the first preparatory work that Nghia Binh did was to draft agricultural projects and to proceed with agricultural zoning. With direct assistance from the Ministry of Agriculture, the province completed the drafting of an agricultural development project that later was approved by the Council of Ministers. The zones for rice and subsidiary food crop-growing, the zones specialized in growing sugar cane and tobacco or raising silkworms, the animal husbandry and forestry-agriculture zones have been clearly divided, with immediate and long-term goals to be reached;

appropriate material and technical bases would be built to add to what already existed. That would serve as a basis for planning and organizing the cooperatives. In general, the province foresaw the establishment of 174 cooperatives in the key rice-growing zone, with the average size of 340 hectares and the production goal of 10 tons of paddy per hectare. It foresaw the establishment of 123 cooperatives in the rice and subsidiary food crop-growing zone, with nearly 400 hectares each and subsidiary food crop processing installations that would combine 3 forms of state, collective and family-based operation. In the sugar cane-growing zone, it would establish 50 cooperatives; the production installations in the northern part of the province would be supplying the Quang Nghia sugar refinery with raw materials, while in the southern part, processing would be done on the spot, etc. Land and forests are being assigned to the cooperatives on a trial basis for them to do business and to gradually expand themselves.

Thanks to the drafted projects, every cooperative right after its establishment knew very well the production and business direction to take and, on that basis, to draft its own plan about building the material and technical base, organizing labor and training specialized cadres, without having to spend time and energy on making exploratory steps first.

Right after the liberation, like other coastal provinces in Central Vietnam, Nghia Binh was implementing the land reform policy in the spirit of the VCP Central Committee directives. By the middle of 1976, it had basically completed the erasure of the remnants of feudal exploitation and land reform adjustments. More than 150,000 farmers who did not have or had little land were given over 27,000 hectares. Along with the implementation of the land reform policy, farmers' associations were organized everywhere to guide farmers into the initial forms of cooperation; materials were sent directly to the production installations so as to provide farmers with additional conditions to step up production. That was a realistic exercise to pave the way for the mass movement to establish cooperatives, which would come later.

A strong asset of Nghia Binh was the large number of cadres who had regrouped to the North. Of 10,000 cadres who had gone to the North in 1954-1955, about 60 percent have come back. Except for those who have become too old or could no longer show usefulness as leaders, most cadres were enthusiastically taking part in the reconstruction of their native land, depending on their energy and capabilities. This was an important source that supplied cadres for the movement to establish cooperatives. In addition to the 400 cadres sent over by the province and districts, 300 cadres who had retired now returned to work and now held key positions in cooperatives, production units or production collectives. Naturally, due to their age and health and also due to the fact that they had been away so long, their contributions, though precious, were in many ways limited. Nghia Binh was actively giving on-the-job training to cadres and training to those who have emerged from the movement after the liberation. More than 30,000 cadres were receiving systematic training in management. Wherever the three forces -- the cadres who had regrouped to the North, the cadres who have acquired on-the-spot maturity and the

newly-trained cadres -- were properly assembled, all activities in the cooperatives and hamlets were progressing smoothly.

On the other hand, the province tried to send half of its college-educated cadres away to work in districts. Seventeen districts and cities in all succeeded in drafting general economic projects and are now reorganizing production and building the necessary material and technical bases. Actually not much has been done in this regard. The countryside of Central Vietnam normally was poor and the commodity-based economy has not yet been developed to any considerable extent. After the liberation, the 2 former provinces of Quang Ngai and Binh Dinh had only 70 tractors. With assistance from the Central Committee, so far only two tractor stations have been built at the edges of the province. Except for the farms that produce sugar cane cuttings and rice seeds, there are no production installations to produce breeding hogs yet; other economic and technical organizations have just taken shape. In this situation, the material base necessary for a reorganization of production on the district plane is still weak, which creates the impression that capital construction in the cooperatives has gone ahead of and has been stronger than construction in the districts.

A good experience Nghia Binh has acquired was the fact that it applied, on a trial basis, the Central Committee policy on establishing cooperatives to the local conditions. It determined the substance and adopted an appropriate method to motivate the masses to take the collective production road. Propaganda and mobilization, as they were aimed at farmers, not only explained and reasoned about the two roads but also combined control, screening and training of cadres, and mostly let everybody discuss to get a full understanding of the problems having to do with his immediate interests, as well as the working method to be adopted later, after the establishment of the cooperatives.

[4 Aug 79, p 2]

[Text] Propaganda and mobilization about the two roads actually helped to heighten the collective ownership role and socialist understanding of farmers. Attention was paid to the following points:

First of all, farmers were told about to clearly understand the party line on economic development and the necessary road our countryside must travel to conquer poverty and backwardness, to build a life of plenty and happiness and to contribute to national industrialization and the defense of the socialist fatherland. That was the first basic point they all quickly and unanimously accepted. However, not to go beyond the general reasons could hardly make farmers deeply understand the differences between the two roads; confusion and hesitation would result from encountering realistic problems that they could not solve by themselves; even after they had joined the cooperatives, they could feel perturbed.

The proselyting work, therefore, had to deal with this practical question: after they had joined the cooperatives, how would the work be organized? The best answer to this question would be to present the economic development plan and the management procedures applicable in the future for farmers to discuss. Only after they had clearly visualized the country's progress through the establishment of cooperatives and the way to handle the things that would have bearing on their everyday life, they would honestly volunteer to take the road of cooperation. The prospects, favorable conditions and difficulties to be encountered were truthfully presented and frank ideas were exchanged. Through the discussions, the poor people realized that joining the cooperatives would mean having additional means of production and objects of labor to develop production and to boost income and the people who had been used to a higher living standard now believed that their income in the immediate future might not be high but in the long run it would surely be higher than that obtained through individual production and the future of their children would be assured.

Having a practical mind, farmers would want to understand well as they joined the cooperatives how land, gardens, special crops, etc. would be handled; how draft animals and machinery would be converted to collective properties; how division and distribution of income would be done -- in short, what would a person gain and lose, if any. The small families having little working power worried about whether the collective would understand their unusual situation. Joining the cooperatives was really a big problem for everybody, mostly for those who had been living in the areas under strict enemy control. And also there were people who did not favor the establishment of cooperatives because they feared that they would be isolated afterwards.

The Central Committee had defined the major principles and drafted many policies. However, how to correctly apply them to the locality would be an entire process of trial and error and getting experience from practical work. Any failures in making these policies known could lead to negative results which would limit, and even destroy, production, such as chopping down big trees, selling draft animals before giving them up, dividing up land, etc. Nghia Binh brought to farmers for discussions the draft policies that had been tailored to the province's situation. For instance about residential land, under the conditions of small average areas, the areas of gardens should not exceed 500 square meters in the delta, 700 square meters in the semimountainous region and twice the delta area in the highlands. However, in the case of those families having larger gardens which included old trees, the cooperatives would have to sign contracts with them to assign the management of excess areas to them rather than cutting the gardens into smaller plots. Wherever cooperative members had about the same areas, there would be no need to raise the question of income from the land. But where farmers had lots of land, they would get part of the income from the excess areas beyond the average mark, just as the families of widows or widowers and families having few members or having lost their working power would still get part of the income from the land. This way fairness would be maintained among those people having a lot of land or very little and realistic

assistance would be extended to the families having difficulties, with everybody feeling reassured to embark on the new production road. Additional assistance drawn from the cooperatives' public interests funds was being extended to wounded soldiers, families of dead heroes and families having done much for the revolution, having lost their working power or having no means of support to ensure a level of food consumption equal to 90-95 percent of the common level. The small families, through adjustments, were also to get 90 percent of the common level. But in order to avoid dependence on the collective, the province also ruled that a primary laborer must try to work to get enough points to support two dependents and adjustments would come only for the third and other dependents. Nghia Binh Province had many draft animals. This type of domestic animals was not used solely to provide draft power but was a commodity, too. Therefore, the cooperatives did not collectivize all of the draft animals but enough to get the necessary draft power, and let their members raise and get an income from the noncollectivized animals. Whenever more animals were needed, the cooperatives would buy them at market prices and pay cash for them. That way the collectives would not have to raise so many animals while the family-based economy enjoyed favorable conditions for development and the size of the herds would not diminish.

Those were just a few examples. To implement policies was a truly difficult job to do, for it must both ensure full implementation of the common principles defined by the Central Committee and stay close to the local situation. Conclusions were gradually arrived at only through collective discussions among farmers, guidance by cadres and a trial-and-error process. Nghia Binh was doing the job with a serious attitude and carefulness and, consequently, was able to avoid unnecessary disturbances, to stabilize production and to heighten the farmers' concept.

Thanks to preparations and exercises of various forms at low level, the cooperatives right after their establishment were able to start building the material bases and expanding production. On the basis of projects with division of labor among the echelons, the water conservancy works were built to increase the areas being watered. The cooperatives spent nearly 2 million man-days to build water conservancy works, to combine the means of communications, to improve work areas and to reorganize the fields. The state supplied every cooperative with 10 cubic meters of lumber, 8-10 tons of cement and some quantities of other materials for it to build storehouses, yards for drying purposes, seed-immersion tanks, stables and pens, etc., thus creating favorable conditions for quickly achieving intensive cultivation and the new division of labor.

In 1978, the cooperatives' rice crop yield was 4-5 quintals/hectare higher than the province's average. Although the last winter-spring crop was smaller than that of last year, the cooperatives still got more paddy than the non-member farmers. With the distribution plans of all 30 cooperatives being combined, the rice production volume obtained in the last winter-spring crop was 15.6 percent higher than the previous crop. The income of 60 percent of

cooperative members' families was higher, 30 percent the same as and 10 percent less than the income obtained through individual production. Among the cooperatives themselves, a classification showed that 40 percent were outstanding, more than half average and about 5 percent poor.

Although difficulties still remain, thanks to careful steps Nghia Binh has a basis to say that the initial results of its agricultural transformation have been good and sound. Its farmers share the same ideas. Production has had initial development. More material bases have been built. The new working method becomes smoother everyday. Its cadres become more and more professionally capable. From these initial results, the province is under favorable conditions in the time to come to further step up the movement to establish cooperatives, to attract everybody and every organization toward building and consolidating the cooperatives, to combine the efforts to reorganize production on the district plane and to overcome shortcomings and weaknesses in order to reach these major goals of 1980: 700,000 tons of grain, 600,000 hogs, 300,000 draft animals, 15,000 hectares of new land, 1 million additional coconut trees and fast increase of export.

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AGRICULTURE

ALL-OUT EFFORTS MAKE HOA BINH I THE BANNER COOPERATIVE

Hanoi NHAN DAN in Vietnamese 6 & 7 Aug 79

[Article: "Movement To Establish Agricultural Cooperatives in Central Vietnam -- Hoa Binh I, the Banner Cooperative of Phu Khanh Province"]

[6 Aug 79, p 2]

[Text] I - Some Characteristics

Hoa Binh I Agricultural Production Cooperative is located within the Tuy Hoa key rice-growing zone, 9 kilometers from Tuy Hoa City.

The cooperative has 1,693 families totaling 8,002 people, 3,018 converted laborers, a natural area of 1,234 hectares and a cultivated area of 654 hectares, or a per capita area of 809 square meters, 2,100 square meters per laborer.

As the cooperative lies in the lower basin of Ba River, it has a relatively flat terrain. One-third of its area receives alluvial deposits every year; it has the capacity to use farm machinery as its fertile land is watered by the Dong Cam water conservancy network, with 76.4 percent of the cultivated area being watered automatically and 80 percent of its area being self-sufficient in terms of draining flood water.

The weather is favorable for agricultural production, with average temperature of 26° C and yearly rainfall of 1,429 millimeters, which seldom leads to any serious flood, and very few storms.

This is in a zone of primary rice production; it grows two crops of rice in 491 hectares (75 percent of the cultivated area) and, in addition, grows sugar cane and a number of other crops. Almost all of this area receives crude seeding of the new rice varieties. The rice crop yield is 26 quintals per hectare per crop. However, with little organic fertilizer being used and prevention and control of harmful insects being far from effective, the yield is unstable. Production relies heavily on self-sufficiency.

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The total number of draft animals is 1,231; there are 1,127 hogs, or 1.1 heads per hectare of cultivated land, including 86 sows, with ducks and other domestic fowls being raised by cooperative members in every crop season.

There are jobs that are done in spare time as secondary occupations: making clothes and conical hats, carpentry, bricklaying and weaving.

As Hoa Binh I Cooperative lies on the provincial communication axis and is adjacent to the Ba River banks, its water and land communications are quite convenient. But the network of inland roads, particularly the network of roads in the fields, is not yet fully developed; transportation mainly relies on the shoulders of people. There are 12 Lambrettas, 2 horse-drawn vehicles and 8 ox-carts having pneumatic tires, which are used only on larger roads.

Thanks to the 4 kilometers of main canals of the Dong Cam water conservancy network that run through the cooperative and their 22,000 meters of level-2 and level-3 ditches, the area being watered automatically accounts for 76.4 percent of the cultivated area; however, the fact that watering is mainly done by the overflowing method means waste of water and the topsoil being washed away. The level-3 ditch network is still too small. Since the main dam is closed for 3-4 months every year for repair, the effort to grow additional crops encounters difficulties.

Members of the cooperative have 7 plowing machines (including a large one and 4 medium-size machines), 95 pumps, 2 power saws, a power generator, a sugar cane press, 6 mills and a grinder to make flour. Most of these machines are small, which breaks up production, and have been used for a long time, with no spare parts available for the broken ones.

The people usually work hard and have the tradition of being staunchly revolutionary in their struggle.

Although the cooperative has plenty of labor available, its distribution is far from rational. Ninety-one percent is specialized in growing crops; in average, a new laborer is in charge of .43 hectare of cultivated land. There are 240 persons, or 7.1 percent, working in other sectors and occupations. Animal husbandry is not yet developed. Only 2 percent is engaged in business. With the labor force the cooperative currently has, if each person works a hectare of cultivated land, more than one-half of this labor force must seek additional jobs to do.

(I - Building and Management

Carrying out the directives of the Provincial and District VCP Committees, the cadres and people of Hoa Binh I enthusiastically accepted the honor of trying to build the agricultural production cooperative. The process of building it consisted of the following steps:

Step 1: Preparations, consisting of the following major work:

To further consolidate the party organization and mass organizations. This was assigned to a group headed by the party chapter secretary, chairman of the Mobilization Committee for Establishment of the Cooperative. This group was also studying the manpower problem, distributing labor among production units and creating the cooperative machinery.

The political and ideological work was assigned to a subcommittee consisting of the heads of mass organizations. On the basis of the existing situation, production guidelines were issued; various kinds of projects were drawn up for crop land, communications, water conservancy and capital construction, while work was being done to complete the long-term plan, the annual plan and the plan for the 1978 "Ba" rice crop. The cooperative both won the assistance of the cadres of Nghe Tinh Province and urgently opened many courses to train hundreds of members on the job. It adopted these guidelines for itself; production of grain would be its key activity (with rice being the key crop) to go hand in hand with extending the cultivated areas by opening new land and practicing intensive cultivation; animal husbandry (with hogs being the key animal) should be developed and attention should be paid to developing various sectors and occupations (with production of bricks and tiles being the key supplemental sector).

Using materials provided by the higher echelons, the cooperative organized learning for different groups in the masses, from the mass organizations to the people. During the learning, observations were made and people were urged to register. It turned out that 100 percent of party and Youth Union members, 97 percent of the families having done something for the revolution and 80 percent of women did register. Collective learning went along with mobilization aimed at individuals. While the hard core was being strengthened, the movement was further built up; good people and good work were praised and publicized in time. Within a short time, the overall percentage of registration among the people was up to 96 percent.

Step 2: Establishment of the cooperative.

After it had been fully known that the majority of the people favored joining the cooperative, the next move was to urge them to apply. My Le Huulet was selected as the center. There 100 percent of the families submitted applications, which had the effect of stepping up the movement as a whole. The results were 1,626 families (or 99.4 percent) applying for membership in the cooperative and totaling 3,728 members. Later, after one crop season, 11 more families joined the cooperative. So far only one person (being mentally ill) has not joined the cooperative. The ceremonies marking the admission of new cooperative members were solemnly organized.

Preparations for a congress of cooperative members were urgently carried out; applications were put together; the basic situation was assessed anew; and the masses were organized to discuss the cooperative's bylaws, to exchange ideas, to staff different units and to elect delegates to attend the congress.

On 2 and 3 October 1977, the congress for establishment of the cooperative elected a management board, a director, a control committee and its chairman. More than 99 percent of cooperative members took part in the voting. The elected candidates got very large numbers of votes. In the cooperative's contingent of 147 cadres, party members accounted for 4.4 percent, Youth Union members 10.2 percent and the 30-or-less age group 38.6 percent.

The cooperative organized 24 basic production units totaling 1,050 laborers (or 66 percent of the labor force), including 20 units specialized in growing subsidiary food and industrial crops. Each basic production unit had 43 members and 27 hectares of land for crop-growing. In addition, there were 21 specialized teams and units.

This organizational network was set up just before the congress. The cadres in charge of teams and units all went through on-the-spot training courses.

Thanks to good preparations, the second step scored good results. However, since the pricing of the means of production had not been done in time within this phase, it took a while after the congress had met for production to start.

Step 3: Managerial work.

The collectivization of the means of production was carefully done after positive preparations, with the people doing the pricing after classification had been made. By now all of the major means of production have been collectivized. As to the plowing machines, since it was difficult to assess their values because most of them had been broken, the cooperative had to organize their management and use in accordance with the established norms and, as a result, was able to mobilize them for productive work in time.

The cooperative concentrated on assuming leadership over the construction of small water conservancy works -- 3 watering ditches and 4 drainage ditches (digging and building 3,684 square meters of ground) -- to bring water to a drought-stricken area where subsidiary food crops had to be grown for lack of water, repaired all of the small bridges and secondary ditches, built 30 ditch embankments and 47 plot embankments, improved 4 road intersections and other embankments and turned 175 hectares of odd crop land into improved ricefields. Traffic and transportation on the fields were made more convenient.

The cooperative encouraged people to make fertilizers and to use organic fertilizer.

In order to become self-sufficient in seeds, in the first crop the cooperative collected 15 kilograms for every 500 square meters, mostly seeds of the new varieties.

The application of other technical measures showed progress (for the crop in July 1978, the area of dry-land plowing accounted for 90 percent; the yield was 25.5 quintals per hectare in March 1978, 31.3 quintals in August, and 56.8 quintals for the entire year). The total volume of production of the

year was 2,679 tons of paddy. In comparison with the neighboring villages, the cooperative's rice crop yield was obviously much higher.

The cooperative organized and sent away 69 families, including 142 laborers and totaling 349 persons, to help build new economic zones; at the same time, it sent land-opening units totaling 210 persons to open 75 hectares of new land in Son Thanh. The total cultivated area in 1978 was 1,135 hectares, or more than the 1977 figure.

The cooperative thus succeeded within 2 crop seasons in extending the cultivated area by 75 hectares, switching 15 hectares of subsidiary food crop land to growing rice crops, further practicing intensive cultivation, maintaining and raising crop yields and ensuring an increase of the cooperative's total grain production.

In addition to the 5 percent of land put aside as required, the cooperative also encouraged full use of land for the production of feed to serve animal husbandry. The population of hogs raised by families was maintained. The cooperative gave 50 sows to its members to raise as a reserve herd, made plans for the construction of pigsties and sent 5 cadres to the North to study organizing collective animal husbandry in 1979.

As a way to retrieve the paddy that had been spilled in the fields, during the "Ba" rice crop season the cooperative raised 500 laying ducks and 3,000 meat ducks. During the "Tam" crop season, it raised 1,800 laying ducks and 800 meat ducks.

As the cooperative members had seen the rational pricing policy and the satisfactory way to award work points, they voluntarily bought 50 additional cows to contribute to the cooperative's herd of draft animals.

A fleet of 50 ox-carts helped to provide transportation within the cooperative.

Since it made bricks by itself, the cooperative was self-sufficient in capital construction; in addition, it also sold 148,860 bricks to its members. Currently it is buying another machine to boost the 1979 production to 3 million bricks and tiles. It also built a limekiln to serve capital construction in time. It set up additional units specialized in machines, capital construction, weaving and metal forging. In addition, it assumed the management of ox-cart transportation, sewing machines and mills.

Building Material and Technical Base

In the past year, in addition to building up the fields, doing water conservancy work and building brick-kilns and limekilns, the cooperative also built a network of drying yards and 12 storehouses; in addition, it also built 3 mills, a storehouse for inorganic fertilizers, forging and carpentry shops, a hatchery for duck eggs, an insecticide storehouse, a brick-making factory, a series of yards for drying bricks, a facility to store bricks, a facility to store limestone and 5 day nurseries-kindergartens. It is making

preparations to carry out the project of building a collective hog-raising farm. It bought some additional machinery and equipment: 2 plowing machines (Bong Sen model), an electric welder, a gas welder, a hydraulic pump, 6 threshers, a brick sorting machine, a tile press, a BelAZ truck, a trailer, a plowing machine frame and 53 improved carts. As of now, the cooperative's fixed assets are estimated at 665,154 dong, or 1,000 dong per hectare of cultivated land, with 225,000 dong coming from loans and 330,154 dong being its own capital. The total number of man-days invested in capital construction was 71,418, or 12 percent of the man-days worked in 1978.

Management, Distribution, Use of Labor

The total number of converted laborers is 3,018, who have been placed in 24 basic production units and 21 specialized teams and units. Most of these specialized teams and units have begun to operate, but their manpower is far from fully used.

In the early days after the cooperative had been established, the management of laborers was truly hard. Some of them were working outside of the cooperative, harvesting the crops their families had grown or working only half days. After the "Ba" rice crop harvest, which demonstrated as a practical lesson for the locality that those persons who worked efficiently and put in many man-days would have high income, by the time of the "Tam" rice crop the management of laborers became easier. Only 50-60 percent of laborers had been mobilized for the "Ba" crop, but during the "Tam" crop this figure was raised to 75-80 percent and now the cooperative can mobilize 90-96 percent of its laborers for participation in production. In average, a laborer worked 80 man-days during the "Ba" crop and 100 man-days during the "Tam" crop. During the entire year a laborer worked an average of 180 man-days for the cooperative; many others worked 50 percent more than that number and still some others worked as many as 180 man-days in one crop season. In average, a crop-growing laborer ensured production of .7 hectare of cultivated land.

The cooperative was paying attention to placing those skilled workers in the right jobs requiring their occupational knowledge and those who had no skills in the simple jobs for them to gradually learn and to get trained.

It set 1,498 norms, divided into 5 grades, with 1,121 norms for crop-growing, 245 for various occupations, 17 for animal husbandry and 125 for capital construction and land opening.

In addition to providing political and ideological education and assigning norms along with control and supervision, the cooperative was paying attention to encouraging labor through material benefits and clear-cut rewarding and punishment.

In addition to handling labor for production, the cooperative was paying attention to labor distribution by sending away 69 families totaling 142 laborers to open new land and to build new economic zones.

Concern for Living Standard

The cooperative made arrangement to have jobs for all laborers, thus ending for good the sight of begging. As production developed and the amounts of grain increased more and more, the average per capita food consumption in the 1978 "Ba" crop was 16.23 kilograms per month. Every family was distributed in average 3 kilograms of duck meat and 20 duck eggs, every person a kilogram of sugar.

As to the families of dead heroes and wounded soldiers, the people having small families and the disabled, the cooperative was paying them 13-20 percent of crop yields and, in addition, providing them with assistance taken from the public-interests fund. About grain consumption, it put aside 195,364 kilograms of paddy for 932 families (which lacked working capabilities) as adjusted supplies for them to reach the average food consumption level. All men over 75 and all women over 70 were given free paddy enough to eat each month at the same level as the average one in the cooperative.

Although not much had been done in terms of caring about the standard of living of its members, the cooperative made a lot of effort in this regard.

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Distribution

After a year of striving to build itself and to manage things, the cooperative had these actual incomes:

The total value for the entire year was 1,777,946 dong, which included crop growing 1,525,768 dong (or 85.8 percent of the total income); animal husbandry 41,962 dong (2.3 percent); various occupations 162,288 dong (9.1 percent); capital construction 47,927 dong (2.6 percent).

After expenses had been subtracted, the net income was 1,189,806 dong, which included payment of tax 160,217 dong (13.46 percent); contributions to the cooperative's fund 172,372 dong (14.4 percent); and payments based on the numbers of man-days 857,210 dong (72.04 percent). The value of a man-day was 1.6 dong; about grain, a man-day was paid 3 kilograms in paddy equivalent.

The cooperative fulfilled its grain obligation by delivering 760,000 kilograms, 306,830 kilograms more than 1977, with the percentages of mobilizing grain for delivery to the state being 20 percent in the "Ba" crop and 31.6 percent in the "Tam" crop. About food, it sold 3,300 kilograms of ducks, 3,000 eggs and 1,500 kilograms of vegetables. It also sold hundreds of tons of sugar cane to the state.

The accumulation fund accounted for 7 percent of the distributed value. The public-interests fund accounted for 3 percent. Rewards for emulation achievements amounted to 11,890 dong (1 percent of the distributed value).

The net income of cooperative members in the entire year of 1978 was 944,648 dong, or in average 297 dong per laborer and 24 dong per month. In average, the per capita income was 118 dong for the year and 9.34 dong per month.

The collective economic aspect thus played a major role in Hoa Binh I Cooperative, which not only was self-sufficient and overfulfilled its grain obligation but also succeeded in developing various occupations, ensuring stable living conditions and maintaining and developing the family-based economy. It ensured continued accumulation for expanded reproduction and at the same time had a public-interests fund to serve its members' livelihood. Both in terms of value and grain distribution, the days worked were paid relatively well. The fact that 72 percent of the value were distributed directly to the laborers was a great effort.

Looking at the value of receipts, we find that most receipts came from crop growing, receipts from animal husbandry remained too small and receipts from various occupations, though larger, were not proportionally right yet. Expenses accounted for 32 percent of the total of receipts; expenses in connection with the factors that would have technical effects on intensive rice cultivation remained small. There were not very many rewards to encourage labor.

In both rice crops, the cooperative had general plans which, after the congress of cooperative members had granted approval, called for organization of distribution while ensuring democratic management and developing the people's collective ownership right. The principle of distribution based on labor was observed, while individual cases were also considered.

Leadership Role

At the time the cooperative was established, the Hoa Binh I party chapter had six members, the Youth Union chapter had nine members and there were five subchapters each of the women's and farmers' associations. In the course of its establishment, the party chapter did take part in organizing leadership over its establishment. Almost all party members set an example to others by registering and applying for membership in the cooperative. The Youth Union chapter also played a leading role. The VCP Chapter Committee directly joined the Mobilization Committee; all party members took part in and fulfilled different tasks for the managerial machinery of the cooperative.

The administration also improved its own managerial work and recommended in time many effective measures to deal with the management of land, laborers and market; to maintain security and order; to stop in time the counter-revolutionary actions; to prevent many negative phenomena; and to create favorable conditions for building and consolidating the cooperative.

In the course of the cooperative's establishment and management, the party chapter admitted 10 new members and selected dozens of persons to train as prospective members; the Youth Union chapter admitted 32 new members and was training 35 prospective members.

Implementation of Policy

At the time the Mobilization Committee was set up, on the basis of temporary guidelines from the Provincial VCP Standing Committee, the cooperative formulated its ideas about policy implementation to be actually applied in the locality. The following questions arose:

The idea at first was to admit landlords only as reserve cooperative members. Later as the province revised its guidelines, they were admitted as full cooperative members, but there were no plans to put them in the management board.

Land, including secondary-crop land, was put under the cooperative's unified management. The cooperative was in charge of exchanges, when the movement was extended enough to create favorable conditions for rearrangement of land among production units and exchanges of land among cooperatives.

The area of residential land was anticipated to be 360 square meters; the larger gardens were to be kept intact to create stability in the early days after the cooperative had been established. As to the families living scattered in the fields, the cooperative had clear-cut rules based on positive calculations to gradually bring them into the planning, rather than to move them all at once, which would create unnecessary disturbances.

Basic distribution was based on labor, with payment of 13 percent of crop yield to areas that exceeded the average areas of cultivated land assigned to individuals and payment of income to the families of dead heroes, sick old people and the disabled persons having nobody to support them. As to the sick old people and the disabled persons having nobody to support them, the fact that the cooperative accepted to support them both ensured their livelihood and brought about some political significance.

III - Results

After more than a year of working for its own establishment and management, Hoa Binh I Cooperative was able:

- To build the new production relationships, to attract almost all farmers and major means of production into the cooperative, to wipe out the sources of exploitation in rural areas and to open the way for farmers to move toward the large-scale socialist production.
- To determine for the first time relatively clear production guidelines. To draft all kinds of projects, plans, bylaws, labor norms, etc.
- To train a large force of cadres, who were mostly young and had basic professional knowledges and the ability to organize cooperative management.
- To prove itself capable of assuming management after a year of transforming and building. Production was being increased and following the guidelines

that had been set. The people's living conditions were stabilized and improved. The grain obligation was overfulfilled. The management of the use of labor showed progress.

- To build some material and technical bases that both ensured serving production and contributed to changing the face of the rural areas. To develop the efforts of the cooperative members, who contributed tens of thousands of man-days and dong, participated in the building of the material and technical bases and refused to completely rely on the state. The total capital of the cooperative was 1,230,115 dong, of which its own capital amounted to 750,293 dong, or 61 percent.

- To carry on simultaneously three revolutions, particularly the scientific and technical one, with the most obvious evidence being the fact that it now used large quantities of organic fertilizer and lime in almost all of the cultivated area, as compared with none being used before.

However, many shortcomings still exist:

- The new production relationships have not yet been consolidated. The managerial work in many ways remains a complex and new one. There remain many difficulties that need to be overcome in a tough and decisive manner in the struggle between the new and the old and between individuals and the collective.

- Although the production guidelines have been determined, whether they are successfully carried out somehow depends on the assistance of different sectors and echelons. So far animal husbandry remains weak. There has been no clear evidence of the recognition of the need to increase the number of crops per year.

- The contingent of cadres has not been tested enough and, with limited capabilities, has shown confusion and indecision in many cases while doing its work.

- In production, rice crop yields remain low; family-based animal husbandry is far from developed; the degree of intensive cultivation, particularly production of green manure, is not uniform yet.

- In management, there has been waste sometimes and in some jobs; the management of laborers is far from strict, with some norms being loosely observed and too few laborers being assigned in animal husbandry and various occupations; labor productivity is not yet very high, with the number of man-days worked for the cooperative being still too small. The arrangement for laborers to go and to help build new economic zones has been poorly done. The management of properties and materials is far from strict; waste still exists.

- Not much work has been done in terms of taking care of the masses' living conditions and building the new man.

IV - Guidelines for Near Future

On the basis of the situation, characteristics and 3-year (1978-1980) economic plan of Hoa Binh I Cooperative, the guidelines for its struggle in 1979-1980 are as follows: to develop the strength of the new production relationships and to urge all of its cadres and members to uphold the collective ownership spirit and to do their best to emulate and to catch up with Vu Thang and Dinh Cong Cooperatives. To ceaselessly consolidate and improve the production relationships; to actively improve the cooperative's management; to strengthen the material and technical base in order to quickly bring technical progresses into production. To step up a total, vigorous and steady development of production. To fulfill its obligation toward the fatherland. To strengthen accumulation for the cooperative; to gradually improve the material and cultural living conditions of its members.

First of all, to concentrate efforts on practicing intensive cultivation to raise the rice crop yield and extending the area used for subsidiary food crops and practicing intensive cultivation of these crops. To quickly increase the volume of grain production; to vigorously develop animal husbandry in both the collective and family-based sectors, particularly hog raising. To exploit and expand various occupations, particularly the production of lime, bricks, tiles and small machinery, in order to serve better life, crop growing and animal husbandry.

From the above guidelines and tasks, the cooperative's major goals in 1979 are as follows:

- To raise the rice crop yield from 7 to 7.5 tons per hectare in 1979 and 8-9 tons per hectare in 1980.
- To strive to raise 2.5 hogs per hectare of cultivated land in 1979 and 3-3.5 hogs per hectare of cultivated land in 1980.
- To raise the income of various occupations from 12 percent in 1978 to 20-25 percent of the total income in 1979 and 25-30 percent in 1980.

To strive to raise the average per capita area of cultivated land from 809 square meters to 1,000 square meters in 1979 and 1,200 square meters in 1980.

To strive to boost the per capita export value to 40 dong or more. To guide the family-based economy in the right direction of development and to develop its most positive supporting effects on the collective economy.

- To ensure correct application of the principle of unified management, unified business and unified distribution in the cooperative.

To ensure implementation of the system of centralized and unified distribution; to carry on properly the three relationships among the state, the cooperative and its members.

- To fulfill the national construction obligation in terms of both grain and food, the military obligation and the labor obligation; to quickly increase the sources of exported goods, etc.; to strive to fulfill the obligation of producing an average of 2 tons of grain and 1 ton of meat on the hoof per hectare of rice-growing land.

- To build a perfected and synchronized material and technical base, particularly in connection with improvement of crop land and soil; to build its water conservancy network and rural communications, as well as production installations supplying seeds, plants and animals for breeding and processing feed and subsidiary food crops.

- To do well the cultural and social work and to organize well the people's material and spiritual life.

To strive to ceaselessly raise the cultural, scientific and technical, professional and specialized levels of cadres and cooperative members. To build a network of level-I, level-II, primary, kindergarten and supplementary-education schools; to strive to get every working person within an age group be promoted to the next higher class.

- To build an artistic group and a wired radio network.

To implement the policy about families of wounded soldiers and dead heroes and the families having done much for the revolution; to do well the job of bringing up and teaching children; to organize good welfare for the elderly persons and pregnant women, in connection with labor accidents, etc.; to guarantee for every person in the cooperative a job, income and a stable, happy and encouraging material and spiritual life.

In order to achieve the above goals, as an immediate step efforts must be concentrated on these major measures:

- To urgently perfect the use of water conservancy in farming; to ensure self-sufficiency in watering and drainage.

To concentrate efforts on resolving the animal husbandry problem, raising the total numbers of cows to 1,100 and hogs to 2,750, digging compost pits in the homes of cooperative members and building fertilizer-making facilities in the cooperative. To fully use and exploit the sources of fertilizers, to strive to get 8-9 tons of organic fertilizer (including hay and rice stalks) per hectare of cultivated land.

To build and perfect 75 hectares of ricefield solely used for seed production; to organize 2 teams specialized in seed production; to perfect the network of yards and storehouses, to treat seeds by soaking and covering and to process seeds totally in accordance with the central administration's technical seed-treating program. At the same time, to actively build a network for the prevention and control of harmful insects and to use the high-yield varieties having resistance against leafhoppers to replace the current varieties so as to ensure prevention and to limit destruction by leafhoppers.

To organize rational distribution of labor, with priority being given to assigning the experienced and skilled laborers for the main crops and main occupations that offer large quantities of products and high income (such as rice crops, hogs, bricks and tiles sector); at the same time, to let a young healthy labor force fulfill the obligation toward the state, go and open new land and build a new economic zone in Son Thanh, where within a few years 400-500 families totaling 2,000-2,500 people could be resettled, and along with Hoa Binh 2 Cooperative to establish a new cooperative in this area.

At the same time, to exploit and fully use all of the remaining labor force and to vigorously develop other occupations, which are the locality's traditional occupations, in order to provide a job for every person and suitable jobs for the secondary labor group and thus to create more products and to raise income.

To attach extremely great importance to improving tools, equipment and machinery and adopting new techniques. To strive to get enough manual and improved tools and to quickly get the means of transportation in order to serve, first of all, production and life.

To improve the leadership of the party chapter and the management of the management board and control committee.

To strengthen the contingent of cadres, who must stick to their unit and the field, work half a day in the unit and in the field, do specialized work for the other half-day, set an example in implementing any party policy and congress resolution, avoid encroaching on the people's collective ownership right and ceaselessly heighten their revolutionary qualities and economic-management capability. To be determined to build the cooperative stronger and to gradually move toward the large-scale socialist production.

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AGRICULTURE

AGRICULTURAL STATISTICS AS OF 25 JULY REPORTED

Hanoi NHAN DAN in Vietnamese 31 Jul 79 p 1

[Article: "The Entire Country Sows and Transplants 1,543,000 Hectares of Rice, Fulfilling 48 Percent of the Planned Quota, and Sows 405,000 Hectares of Summer-Autumn Vegetables, Subsidiary Food Crops and Industrial Crops"]

[Text] According to the Statistics General Department, as of 25 July, the entire country had sown and transplanted 1,543,000 hectares of tenth-month rice, fulfilling 48 percent of the planned quota. In northern Vietnam, entering the tenth-month rice transplanting season, the weather has been hot for an extended period but the provinces have still concentrated the manpower on pumping and bailing water in order to plow the fields and sow and transplant the tenth-month rice.

During the past 10 days (from 16 to 25 July), the northern provinces transplanted almost 400,000 more hectares, an increase of 12,000 hectares as compared with the previous 10 days. Lai Chau and Cao Bang are the two provinces that sowed upland rice and transplanted tenth-month rice the fastest. Lai Chau fulfilled 99.2 percent of the planned quotas and Cao Bang fulfilled 94.7 percent of the quotas. The midlands provinces, the provinces in former Zone 4 and the mountain provinces have sown and transplanted 63 to 82 percent of the planned quotas.

The southern provinces have been slow in sowing and transplanting the tenth-month rice and have sown and transplanted only 591,000 hectares, fulfilling 29.5 percent of the planned quotas. In this, the provinces from Thuan Hai on south have transplanted 435,000 hectares, fulfilling 25 percent of the planned quotas. Because of the heavy rains, the rivers have risen early and the rate of transplanting during the past 10 days has been even slower. There is still a 1.4 million hectare tenth-month rice area in the southern provinces that has not been transplanted. The provinces must mobilize production companies in order to step up the rate of transplanting and finish it in order to start harvesting the summer-autumn rice.

As of 25 July, the entire country had sown 405,000 hectares of summer-autumn vegetables, subsidiary food crops and industrial crops, an increase of 72,000 hectares as compared with the same time last year. Many localities have finished sowing a number of crops. Hai Hung and Thai Binh provinces are harvesting the jute. Cao Bang has begun an operation to plant kaoliang over a wide area in districts near the border. In order to make preparations for sowing the early vegetable crop, Hanoi municipality has plowed thousands of hectares of subsidiary food crop fields and readied more than 7,000 kilograms of kohlrabe and cabbage seed, various types of vegetable seed and green bean seed.

Thuan Hai Province has organized 230 cooperatives and 362 production companies; 74 percent of the peasant families with 71 percent of the farming area have become involved in collective production. Ham Thuan, Duc Linh and Ninh Hai districts and the city of Phan Thiet have virtually completed agricultural cooperativization.

In the entire province, 90 percent of the cooperative member families have higher incomes than when they produced individually. Me Pu cooperative in Duc Linh and Ham Thang 1 cooperative in Ham Thuan have coordinated transforming production relationships with stepping up production, carried on intensive cultivation and expanded animal husbandry and the occupations and, therefore, incomes have reached more than 3 dong per man-day and 25 to 28 kilograms of paddy per person per month. Almost all of the cooperatives have begun to give attention to expanding animal husbandry. Besides cooperatives that specialize in cultivating rice, An Son district has organized eight cooperatives that specialize in growing cotton. The Cham tribe in An Son, Bac Binh and Ham Thuan districts has organized 15 agricultural cooperatives. The province and districts are training 7,000 managerial and professional cadres for the cooperatives and production companies. Between now and the end of the year, Thuan Hai is striving to complete cooperativization throughout the entire province.

Immediately, the province will concentrate its efforts on consolidating the 230 existing cooperatives and transplanting and planting 88,350 hectares of tenth-month rice and grain crops on schedule.

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AGRICULTURE

STEPPED-UP EFFORTS TO FIGHT WATERLOGGING URGED

Hanoi NHAN DAN in Vietnamese 9 Aug 79 p 1

[Editorial: "Fight Waterlogging"]

[Text] During the rainy season, in the country's agricultural areas some of the low-lying fields are flooded, even if the rainfall is at normal levels. We have not been able to overcome that situation, principally because the material-technical bases for fighting waterlogging have not absolutely assured water drainage. At present, the water conservancy installations of the northern provinces are capable of preventing the fields from becoming waterlogged only when the rainfall does not exceed 300 millimeters during a 3 day period. If the rainfall exceeds that level, the 10th month crops in a number of areas are subject to flooding and waterlogging. In the southern provinces, during the U.S.-puppet period there were practically no installations for countering waterlogging. After the liberation, the revolutionary administration positively implemented a plan to build water conservancy installations, but they are still too few in comparison to the area of several million hectares which must be drained to avoid waterlogging. With regard to the nation as a whole, the problem of draining excess water during the 10th month season is a major concern on the production front.

The 10th month season is the main grain-production season of the year. If the drainage of excess water is not well resolved, that will directly affect the fulfillment of the annual grain plan and create difficulties in the lives of the people.

During the past several years, during the 10th month season major rain storms have heavily flooded and waterlogged large areas. An example of that was the flooding last year in a number of northern and Nam Bo provinces. This year there have also been major rain storms resulting from the influence of typhoons. The rain storm caused by just-concluded typhoon No 7 flooded more than 32,000 hectares of recently transplanted paddies in the northern provinces. Typhoon No 8 may hit our country and may cause much rainfall and flood a large area. This year there has also been rather

heavy, widespread rainfall in many areas in the Nam Bo delta and in the Tay Nguyen region. The Mekong and Dong Nai rivers have large runoffs earlier than most years, and have caused the flooding of tens of thousands of hectares of summer-fall and 10th month rice.

Fighting waterlogging, flooding, and storms is now a central ad hoc task on the agricultural front. That task must be fulfilled promptly and urgently, with the highest effectiveness, by the combined strength of all the people, all echelons, and the responsible sectors.

The anti-waterlogging committees at the various echelons must be strengthened and must urgently begin effective operations. The anti-waterlogging plans which were drafted at the beginning of the 10th month season to cope with situations that might occur should be reviewed and supplemented so that they may be appropriate to the situation.

The anti-waterlogging forces and facilities must be deployed rationally, to the necessary degree and effectively but without wasting them. Pumping machines should not be installed in places which need only nonmechanized equipment (bailing buckets, waterwheels, etc.); electrical pumps should not be installed in places which require only diesel pumps; and large numbers of people should not be sent to places which require only a few people.

The fighting of waterlogging and the fighting of floods must be carried out with a spirit of relying principally on local self-help, with initiative, flexibility, and coping by all means.

The fight must fulfill, by all means, the requirements of limiting damage to the minimum and isolating and gradually reducing the waterlogged acreage. We must organize rescue operations with selected emphasis and categorization, with concentration on the areas which are heavily waterlogged but can be saved, according to an order of priorities. It should be determined which crops and which fields should be saved first and which can be saved afterwards; we should not attempt to save all at once.

The motto of fighting waterlogging by "burying water, spreading water, and draining water" has been tested in actual production and has been confirmed as being entirely correct. It requires a number of essential conditions. First of all, the system of area and field dikes must be complete, strong, and effective, in correct accordance with the anti-waterlogging plans. Thus it is possible to spread water and bury water on a large area and prevent the water from concentrating to deeply flood a number of areas, thus making the anti-waterlogging task more difficult. Water should be drained directly into the drainage ditches, according to plan. It should not be drained from one paddy into another, which would increase the flooding and waterlogging.

The flooded localities and production bases should have contingency plans to retransplant the paddies that are completely wiped out, time permitting.

The entire nation is in the midst of the rainy season. The fight against natural disasters to defend production has entered the decisive stage. The localities, production bases, and responsible sectors must manifest a revolutionary offensive spirit, overcome all difficulties, and enable the 10th month crop to be successful.

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CSO: 4209

HEAVY INDUSTRY AND CONSTRUCTION

VICE MINISTER DISCUSSES PROBLEMS, ACTIVITIES OF COAL SECTOR

Hanoi TO QUOC in Vietnamese No 7, Jul 79 pp 17-19

[Interview with Vice Minister of Power and Coal Tran Anh Vinh, MS, by a reporter]

[Text] [Question]: Some people say that because the production of oil and gas in the world has increased notably in the past 30 years, coal is no longer an important source of energy and the coal sector does not have a future. Is this viewpoint correct?

[Answer]: For several years now many people in the world have thought this way. But after studying the rate of development and consumption of the various forms of energy and the sources of fuel in the earth, scientists have come to the conclusion that by the end of this century, oil and natural gas will be used up while there will still be relatively large reserves of coal, which will account for 70 to 80 percent of the various forms of energy. And because coal can be used widely for many different goals, some people say that today is the period of "rebirth" of coal and they appeal for a "return to coal."

As for our country, oil and gas are in an exploratory stage and therefore, to date, coal has been the main source of fuel used in the national economy and an important export commodity. In recent years, the volume of production of coal has reached almost 7 million tons per year and, at present, our sector is making preparations and striving to reach a volume of production of 10 million tons by 1980 in accord with the resolution of the Fourth Party Congress.

Concerning coal reserves, we have the Quang Ninh coal fields and a number of coal points scattered throughout a number of northern provinces and in Quang Nam and U Minh. Recently, we discovered a large coal field in the Red River Delta; it has reserves of 20 to 30 times those of the Quang Ninh coal fields. If the coal fields in the delta are not included, anthracite accounts for most of the coal. The delta coal is slow-burning coal.

[Question]: In our country coal is important and, therefore, why has the rate of development been slow up to now?

[Answer]: There are objective and subjective reasons. As for the objective reasons, our country's geology is complex, there are many fissures and in places the surveys have not been really accurate; in some cases things have had to be repeated many times and this has caused the construction of mines to drag on and on (for example at the Vang Danh mine). Besides this, in the process of mechanizing the coal sector we must import equipment from many countries; there is a shortage of parts and we lack repair installations with synchronized production chains and because of this the use factor and productivity of the vehicles and machines is low.

As for subjective factors, investment capital is not shared in a synchronized way among the various elements. Capital invested in mining accounts for 85 percent of the capital while only 15 percent is invested in the other elements and this creates an imbalance between mining and grading, roads, transportation, loading, etc. The construction forces have grown slowly and the equipment is inferior and, therefore, for the mines there is only enough for simple reproduction while expansion can be carried on only at a number of key points.

The above factors have caused labor productivity to be low and made it impossible to quickly increase the volume of production.

However, the coal sector has striven to overcome the difficulties and built three large strip mines having a capacity of 3 to 4 million tons per year and we are building a strip mine having a capacity of 2 million tons per year and three large underground mines, each having a capacity of from 1 to 2 million tons per year. Besides this we have built and are building dozens of medium-sized and small mines, each having a capacity of 300,000 tons per year.

[Question]: Would you please tell us what the research situation is like and how science and technology are being used in the coal sector?

[Answer]: Although they are still inexperienced, the scientific and technical cadres in our sector have manifested a clear effect and they have made constant progress.

Along with building and expanding production installations, scientific research is also being promoted. Many scientific research proposals have been implemented such as research on stabilizing the mine embankments at the strip mines (controlling slides); studying the rate of extraction from [various] depths; studying technical mining problems such as drilling, setting off charges, using conveyer belts instead of trucks, etc; studying the restoration of equipment; studying increases in the rate of sinking shafts; studying increases in the volume of production of the work faces and studying a number of mining methods for sloping veins. Dozens of other proposals have also been implemented with the aim of providing effective support for stepping up coal mining. Besides this, we have organized a scientific and technical coal research center, a coal processing department and a number of stations that set norms and contributed to resolving a number of difficulties in production.

Our technical cadres have themselves designed mines having a capacity of 1 to 2 million tons and various elements in the production chain such as the transportation of overburden and coal, roads, piers, grading and washing and repair machines. We have also designed a machine works in order to manufacture mining equipment (but because of a lack of capital, construction is still incomplete). In order to prepare for new developments and immediately provide ourselves with equipment, we have test produced much equipment for underground mines, such as drill hammers, press hammers, conveyer belts, drag conveyers, fans, etc and a number of machines for strip mines such as hammer drills and crowbar pressers, and restored revolving drill bits, etc. Each year we have produced hundreds of tons of spare parts of various types and contributed to maintaining the machines in operation.

Besides this, the scientific and technical cadres have trained workers and cadres in the dozens of schools of the sector.

In the emulation movement, many vehicles and machines have reached a progressive level of production in the world.

[Question]: Would you please discuss the guidelines and tasks of the intellectuals and workers in the coal sector in the coming period?

[Answer]: Our sector is making an effort to hit the target of 10 million tons of coal by the end of this five-year plan; at the same time, it is preparing for the next five-year plan.

In the next 15 to 20 years, we can and must increase the yearly volume of production of coal to 30 to 40 million tons in order to support the national economy and exports. Besides continuing to survey and exploit the Quang Ninh coal fields and a number of mines, beginning now we must do research so that in the near future we can begin mining operations in the Red River Delta coal fields. As for types, we must mine various types of anthracite in order to fulfill domestic and export needs. We must mine rich coal for metallurgy and coal bricks and mine slow-burning coal for the cement industry.

In order to quickly increase the volume of production, the mining guidelines are to concentrate to a great degree on exploiting the strip mines and building underground mines (with priority given to drift mines and to building a number of shaft mines). There must be heavy investments in order to expand and increase the capacity of the existing mines along with expanding new mines; in this problem, along with building mines having a large capacity, attention will have to be given to small mines and, here, we have favorable mining conditions, especially veins and mines located next to large mines. In investing, we will give attention to making synchronized investments in the various elements in the production chain and give the proper amount of attention to building repair installations and to manufacturing equipment. The help of friendly countries must be exploited and used well and we must cooperate well with other countries.

[Question]: What are the contents of the scientific and technical activities in implementing the guidelines and tasks mentioned above?

[Answer]: Many important problems, many fruitful proposals and many urgent questions resulting from the practices are attracting the attention of the scientific and technical cadres in our sector.

First of all, I would like to talk about the requirements of strip mining. Mining coal from strip mines is quick, cheap and convenient. Our mines which are in operation and which are under construction have been highly mechanized, except for road construction (we have begun to use conveyer belts to move the overburden with the aim of reducing transportation by truck). But in order to carry on strip mining with a large volume of production, we must study and satisfactorily solve the problem of rate of digging down and factors related to it such as stabilizing the mine embankments, drilling and setting off charges at depths where the volume of underground water is relatively large, [building] roads through marshy places, having measures to drain the underground and surface water, [solving] the microclimate problem, using conveyer belts to move the overburden, etc.

As for underground mining, at present this source accounts for only 25 percent of the total volume of production of coal but this percentage is constantly increasing. In order to satisfy the growing requirements, the following problems must be solved:

a. The rate of sinking shafts must be increased. Whether we can construct many new mines or not is determined mainly by the sinking of shafts. In order to sink shafts quickly, the digging must be organized according to periods, the shorter the better and, therefore, there must be positive measures for a number of problems: equipment, labor organization and a training system for the workers.

b. The volume of production of the work faces must be doubled or tripled as compared with present levels by mechanizing things at places that can do so and applying suitable methods in order to mine in places that cannot mechanize (false ceiling methods, chamber mining, etc).

The lumber problem must be solved. At present, in order to mine 2 million tons of underground coal every year, we must use more than 100,000 cubic meters of lumber. In the future, when the volume of production of underground coal increases to 20 million tons per year we will have to have more than 1 million cubic meters of lumber. How to have additional lumber for mine pillars and to find ways to use substitute materials and have measures to reduce the lumber norms is a great problem.

As for the problem of coal quality and the use of coal, there must be the participation and solutions of science and technology. At present, the scale of our coal mining operations is small but mining and use are still not really economical. Suitable mining methods must be studied in order to reduce losses

during the mining process, especially for the sloping veins in the underground mines. At strip mines, this must also be given attention. If places that use coal actively improve the means of using coal and use equipment that is more appropriate or more advanced in order to reduce the consumption of fuel and, at the same time, if places that produce coal actively study the processing of various types of coal that are in accord with the various requirements of the users in order to avoid waste, we will be able to reserve a notable additional amount of coal for export, increase the proportion exported and keep it at 20 to 25 percent a year. Besides this, our sector must give more attention to processing coal, such as refining coke from anthracite, in order to have a higher use value.

Above, I mentioned the necessity of making synchronized investments. Science and technology also play an important role in synchronizing the elements in the production chain and participate in solving such related problems as capital construction, equipment, transportation, grading, etc so that the assisting elements are in balance with mining.

Finally, I would like to emphasize a very important task, basic investigations. This aspect must be promoted in order to have accurate geological data as a basis for making plans, carrying on the all-round construction of mines and saving time, money and effort.

In the labor productivity and fatherland defense combat readiness emulation movement the cadres and workers in the coal sector are acting and thinking with a very lofty spirit of responsibility in order to fulfill this five-year state plan and prepare for the following plans. We will always remember and are resolved to carry out the words of Le Duan: "A ton of coal now is worth many tons of coal in future years."

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